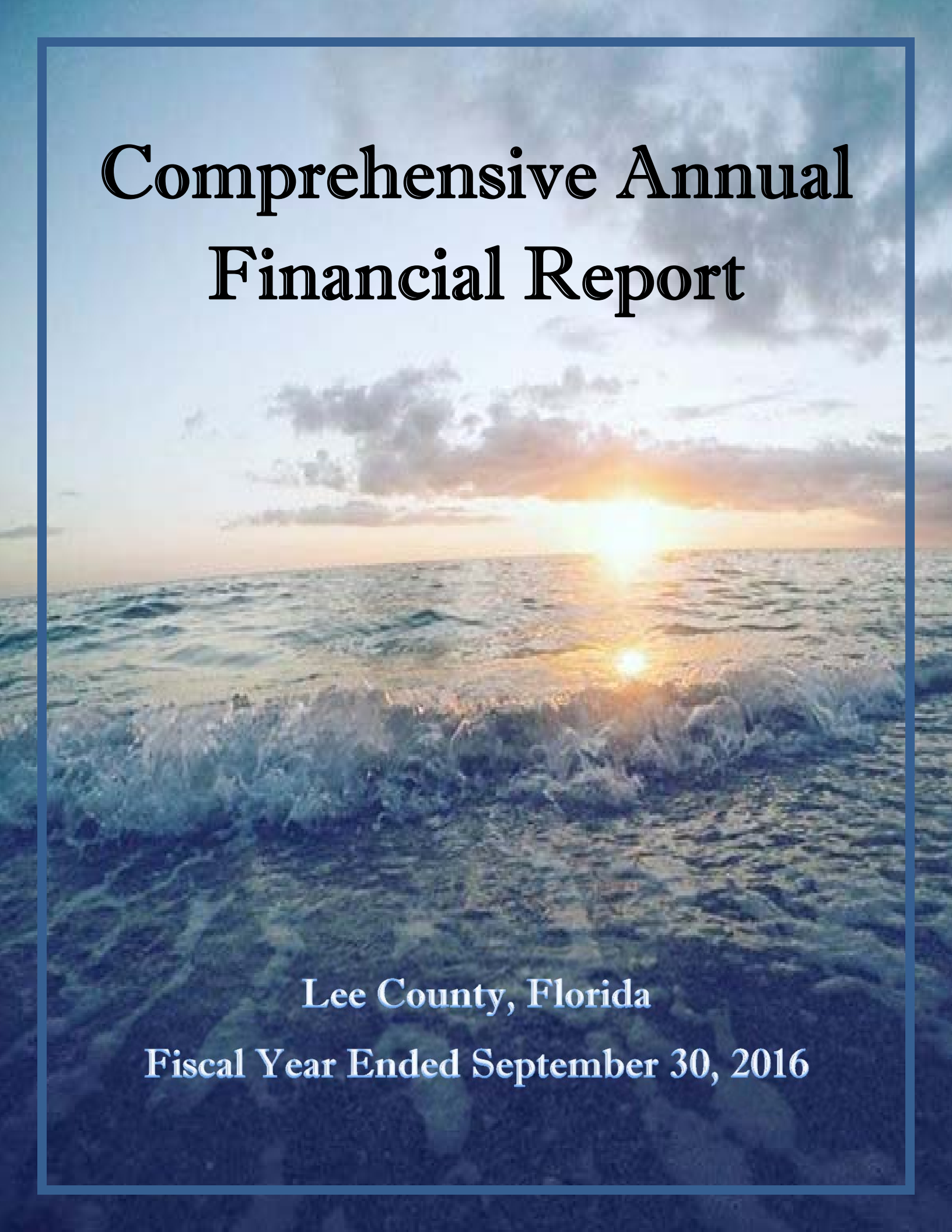


Comprehensive Annual Financial Report

Lee County, Florida

Fiscal Year Ended September 30, 2016

Lee County, Florida

Comprehensive Annual Financial Report

For the
Fiscal Year Ended September 30, 2016

LEE COUNTY
SOUTHWEST FLORIDA

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, 2016

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, 2016
TABLE OF CONTENTS

Introductory Section

PAGE

Letter of Transmittal 2
Organizational Charts 9
Government Finance Officers Association Certificate of Achievement 11

Financial Section

Independent Auditors' Report 14
Management's Discussion and Analysis (unaudited) 17

Basic Financial Statements

Government-Wide Financial Statements
Statement of Net Position 30
Statement of Activities 33
Fund Financial Statements
Governmental Fund Financial Statements
Balance Sheet- Governmental Funds 34
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position 35
Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds 36
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 37
Statement of Revenues, Expenditures, and Changes in Fund Balance- Budget (Non-GAAP Budgetary Basis) and Actual- General Fund 38
Proprietary Fund Financial Statements
Statement of Net Position- Proprietary Funds 39
Statement of Revenues, Expenses, and Changes in Net Position- Proprietary Funds 42
Statement of Cash Flows- Proprietary Funds 44
Fiduciary Fund Statements
Statement of Fiduciary Net Position- Fiduciary Funds 46
Statement of Changes in Plan Net Position- Fiduciary Funds 47
Notes to the Financial Statements 50

Required Supplementary Information

Other Postemployment Benefit Plans (unaudited) - Schedule of Funding Progress and Schedule of Employer Contributions 100
Florida Retirement System Pension Plan - Schedule of the County's Proportionate Share of the Net Pension Liability and Schedule of the County Contributions 101
Retiree Health Insurance Subsidy Program - Schedule of the County's Proportionate Share of the Net Pension Liability and Schedule of the County Contributions 102

Lee County, Florida
COMPREHENSIVE ANNUAL FINANCIAL REPORT
September 30, 2016
TABLE OF CONTENTS

Supplemental Financial Information

PAGE

General Fund Combining Schedules
- Balance Sheet 106
- Schedule of Revenues, Expenditures, and Changes in Fund Balances 108
- Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget (Non-GAAP Budgetary Basis) and Actual 110

Non-Major Governmental Funds Combining Statements and Schedules
- Non-Major Governmental Fund Descriptions 114
- Balance Sheet 118
- Statement of Revenues, Expenditures, and Changes in Fund Balances 128
- Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget (Non-GAAP Budgetary Basis) and Actual- Special Revenue Funds 138
- Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget (Non-GAAP Budgetary Basis) and Actual- Debt Service Funds 145
- Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget (Non-GAAP Budgetary Basis) and Actual- Capital Projects Funds 148

Enterprise Funds Combining Schedule
- Enterprise Fund Descriptions 154
- Schedule of Revenues, Expenses, and Changes in Net Position- Budget (Non-GAAP Budgetary Basis) and Actual with Reconciliation to GAAP 155

Internal Service Funds Combining Statements and Schedule
- Internal Service Fund Descriptions 158
- Statement of Net Position 159
- Statement of Revenues, Expenses, and Changes in Net Position 161
- Statement of Cash Flows 162
- Schedule of Revenues, Expenses, and Changes in Net Position- Budget (Non-GAAP Budgetary Basis) and Actual with Reconciliation to GAAP 164

Agency Funds Combining Statements
- Agency Fund Descriptions 168
- Statement of Fiduciary Net Position- Agency Funds 169
- Statement of Changes in Assets and Liabilities- Agency Funds 172

Lee County, Florida
COMPREHENSIVE ANNUAL FINANCIAL REPORT
September 30, 2016
TABLE OF CONTENTS

Statistical Section
(unaudited)

	PAGE
Statistical Section Descriptions	176
Schedule 1- Net Position	177
Schedule 2- Changes in Net Position	178
Schedule 3- Fund Balances of Governmental Funds	180
Schedule 4- Changes in Fund Balances of Governmental Funds	181
Schedule 5- Assessed Value and Estimated Actual Value of Taxable Property	182
Schedule 6- Property Tax Rates- Direct and Overlapping Governments	183
Schedule 7- Principal Property Taxpayers	184
Schedule 8- Property Tax Levies and Collections	185
Schedule 9- Ratio of Outstanding Debt by Type	186
Schedule 10- Pledged Revenue Bond Coverage	187
Schedule 11- Demographic and Economic Statistics	189
Schedule 12- Principal Employers	190
Schedule 13- Government Employees by Function/Program	191
Schedule 14- Operating Indicators by Function/Program	192
Schedule 15- Capital Asset Statistics by Function	193

Other Supplemental Information
(unaudited)

Tourist Development Tax Revenue Bonds- Historical Tourist Development Tax Revenues, Gross Revenues and State Funds and Pro Forma Debt Service Coverage	196
Tourist Development Tax Revenue Bonds- Statement of Historical Collections and Distributions of the General Sales and Use Tax	197
Capital Revenue Bonds- Pledged Revenues and Debt Service Coverage	198
Non-Ad Valorem Revenue Bonds- Historical Major Sources of Non-Ad Valorem Revenues	199
Non-Ad Valorem Revenue Bonds- Statement of Revenues, Expenditures, and Changes in Fund Balances- Total Governmental Funds	200
Local Option Gas Tax Bonds- Gas Tax Revenues and Number of Taxable Gallons Sold, Five Cent Local Option Gas Tax Debt Service Coverage, and Allocation of Gas Tax Revenues	201
Lee County Water and Wastewater Systems- Monthly Water Rates	202
Lee County Water and Wastewater Systems- Water Restriction Surcharge Adjustment	202
Lee County Water and Wastewater Systems- Monthly Wastewater Rates	203
Lee County Water and Wastewater Systems- Connection Fees	203
Lee County Water and Wastewater Systems- Water Meter Installation and Service Connection Fees	203
Lee County Water and Wastewater Systems- Historical Revenues, Expenses and Debt Service Coverage	204
Lee County Water and Wastewater Systems- Customer Statistics	205
Lee County Water and Wastewater Systems- County System Top Ten Retail Utility Customers	206
Lee County Solid Waste System- System Historical Operating Results and Indenture Rate Convenant Compliance	207
Lee County Solid Waste System-Summary of Historic Charges	208

Other Supplemental Information (continued)

(unaudited)

PAGE

Lee County Solid Waste System- Summary of Historical Inbound Waste Deliveries (Tons) by Type of Waste 209
Lee County Solid Waste System- Summary of Historical Waste-to-Energy (WTE) Processing Satistics 210
Lee County Transportation Facilities- Toll Rates 211
Lee County Transportation Facilities- Variable Pricing Program 213
Lee County Transportation Facilities- Traffic, Revenues and Expenses by Bridge 214
Lee County Transportation Facilities- Revenues, Operating Expenses, and Debt Service Coverage 215
Lee County Port Authority- Airlines Serving the Airport 216
Lee County Port Authority- Airport Enplanements October 2015 - September 2016 217
Lee County Port Authority- Historical Enplanements by Carrier Type 217
Lee County Port Authority- Historical Landed Weight by Airline 218
Lee County Port Authority- Historical Enplanements by Airline 218
Lee County Port Authority- Primary Domestic Origin & Destination Passenger Markets 219
Lee County Port Authority- Historical Aircraft Operations 220
Lee County Port Authority- Historical Statement of Net Revenues 221

Introductory Section



March 23, 2017

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, 2016. 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, 2016, 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, 2016. 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
Phone: (239) 533-2100 | FAX: (239) 485-2070

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. Four incorporated municipalities are located on the mainland: Fort Myers (one of two county seats), Estero, 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, 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 is home to one of the fastest-growing populations in the nation and that trend looks to continue. With almost 24 percent of its residents age 65 and older, the County is well known as a retirement destination. Lee County's population grew by approximately 10 percent between 2010 and 2016, and is projected to have a population of 1,055,000 by 2040. The Bureau of Economic and Business Research projects a 46 percent increase in Lee County's 25 to 54 age group by 2035. The estimated population in 2016 is 680,578.

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 white 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. Each year, thousands of fans flock to Lee County to watch spring training for the Boston Red Sox and Minnesota Twins. Although Lee County experiences year-round tourism, the number of tourists increases in winter as does the retiree population. The region also has a long history of attracting innovators, including the families of Henry Ford and Thomas Edison.



The figures provided by Lee County's Visitor and Convention Bureau for fiscal year 2016, showed that the number of visitors year over year declined slightly while spending by visitors increased. The total number of visits is comprised of paid accommodations, and stays with friends or relatives. For fiscal year 2016, as compared to fiscal year 2015, the number of paid accommodations decreased .7 percent, whereas the number of stays with friends or relatives decreased 4.3 percent. During fiscal year 2016 visitors spent an estimated 3 percent more during their stay in Lee County. Passenger traffic at Southwest Florida International Airport ("SWFIA") reflected a 4.4 percent increase from the previous fiscal year. Southwest Florida International Airport served more than eight million passengers in 2016 and continues to rank among the 50 busiest airports in the nation, according to the U.S. Department of Transportation.





With no personal income tax, Florida consistently ranks as one of the best places to do business, and Lee County businesses benefit from Florida's state tax structure. In 2014, Chief Executive Magazine ranked Florida 2nd Best State for Business, and the Tax Foundation places Florida number five on its 2015 State Business Tax Climate Index. Cape Coral, Lee County's largest city, ranked as one of the best cities to start a business by WalletHub. The County boasts numerous colleges, universities, and technical-vocational schools that produce talented graduates. Lee County is also home to a nationally recognized public school system.

Employment



Lee County has become the coastal hub for business growth and talented workers. With the region's business incentives and quality of life, more companies have relocated to the area. From fashion icon Chico's, IT consulting and research company Gartner, and cancer care service provider 21st Century Oncology to a handful of companies that have relocated to the region over the last couple of years like Fortune 500 car and rental giant Hertz, Universal Trailer Holdings Corp., and Camuto Group; companies across multiple sectors have chosen Lee County.

The County continues to see steady growth with an increase of 6 percent in the labor force year over year. The University of Florida's Bureau of Business and Economic Research projects a 19 percent increase in Lee County's labor force by 2023. The labor force at September 30, 2016, 2015, and 2014 was 329,147, 309,751, and 300,690, respectively. Employment in the County as of September 30, 2016, is estimated at 313,758.

Lee County's economy continues to strengthen. The unemployment rate declined in Lee County this past year from 5.1 percent in 2015 to 4.7 percent in 2016. The County's unemployment levels approximate Florida's rate of 4.7 percent and is below the national rate of 5.0 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 21.2 percent in Trade, Transportation and Utilities, 16.2 percent in Government (Federal, State and Local), 16 percent in Leisure and Hospitality, 13.5 percent in Professional and Business Services, 11.2 percent in Education and Health Services, 9.6 percent in Mining, Logging, Construction and Manufacturing, and 12.3 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, from 1,634 in fiscal year 2015 to 1,371 in fiscal year 2016, which represents a 16 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 2016 and 2015 was $225,000 and $210,000, respectively, which represents a 7.2 percent increase. The median price for existing condominiums remained stable in 2016. The housing inventory continues to expand and the number of active listings in Lee County rose year over year by 16.6 percent.



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 2016 include:

- 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 project cost of $8.4 million.

- SWFIA Public Address System to upgrade existing analog system to digital for a total project cost of $1.5 million.
- Restoration of the boat ramp, docks, seawall, and dredging of the Pine Island Commercial Marina canal for a total project cost of $1 million.
- The Fiesta Village Wastewater Treatment Plant (WWTP) switchgear & generator replacement for a total project cost of $3 million.
- Florida Gulf Coast University (FGCU) water and sewer main extensions for a total project cost of $2.5 million.
- Palm Beach Boulevard sewer force main replacement at Orange River for a total project cost of $1.4 million.
- Ben Hill-Alico force main for a total project cost of $1.6 million.
- Restoration of the Fiesta Village WWTP headworks concrete structure for a total project cost of $2.5 million.
- U.S. 41 water main replacements (Cypress Lake Drive to Old Gladiolus) for a total project cost of $4.6 million.
- Lee County Utilities Billing System for a total project cost of $1.9 million.

Projects currently in progress include the following:

- SWFIA Parallel Runway Site Preparation to include design of a 9,100 foot parallel runway, storm drainage system, environmental permitting and mitigation design for a total projected cost of $258.9 million
- SWFIA 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 $12.4 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 $6.1 million.
- Expansion of the Terminal Access Road (TAR) to six lanes from Interstate 75 to Air Cargo Lane for a total estimated cost of $6.7 million.
- Continued design of a new Air Traffic Control Tower at SWFIA for a projected cost of $56.2 million.
- SWFIA remediation of hazardous wildlife (Phase II) for a projected cost of $10.6 million.
- Rehabilitation of Page Field's airfield pavement, taxiways, and associated runways for a total projected cost of $38.4 million.
- Design and construction of the beach park and ride transfer center for a total projected cost of $4.8 million.
- Land acquisition, design, and construction of the south area Transit/Multimodal transfer center for a total projected cost of $7 million.
- Design and implementation of an Intelligent Transportation System that will provide Computer Aided Dispatching (CAD) and Automatic Vehicle Locating (AVL) and will include electronic signage and an information kiosk system for Lee Tran riders for a projected cost of $2.1 million.
- Expansion of the Green Meadows Water Treatment Plant (WTP) and wellfield for a projected cost of $78 million.
- Three Oaks WWTP improvements for a projected cost of $29.6 million.
- US 41 water main replacements, from Old Gladiolus to North Airport Haul Road, for a projected cost of $7.5 million.
- Design phase of Page Park waterline improvements for a projected cost of $6 million.
- Olga WTP chemical system improvements for a projected cost of $4.9 million.
- Pinewoods wellfield electrical and controls improvements for a projected cost of $4.5 million.
- Automated meter reading system for a projected cost of $23 million.

- Gateway WWTP rehabilitation and improvements for a projected cost of $3 million.
- Design phase of the reclaim water and aquifer storage and recovery system for a projected cost of $6.9 million.
- Design phase of the second deep injection well for the North Lee County WTP for a projected cost of $5.4 million.
- Fiber optic upgrades to wellfields for a projected cost of $3.9 million.
- Estero Boulevard force main relocation for a projected cost of $18.6 million.
- Design phase of Alico Road water main relocations for a projected cost of $4.1 million.
- Construction of Segment One of Estero Boulevard improvements for a projected cost of $8.1 million.
- Construction of the north segment of Burnt Store Road for a projected cost of $16.5 million.
- Design phase of Alico Road widening project with a total projected cost of $15.3 million.
- Design and right-of-way acquisition for Homestead Road widening with a total projected cost of $21 million.
- Design of improvements of Palomino Lane for a total projected cost of $2 million.
- Joel Blvd Park (Lehigh) an agro-ecotourism park currently in the design phase, improvements to include play elements, boardwalks, educational pavilion, and greenhouses for an estimated cost of $1.5 million.
- Design and permitting phase for the Nalle Grade Stormwater Park for a projected cost of $3.5 million.
- Fichter's Creek restoration in North Fort Myers for a total projected cost of $1.8 million.
- Hendry Creek West Branch Improvements for a total projected cost of $2.5 million.
- Design and renovations to the Justice Center Annex and juror room for a projected cost of $5 million.
- Design and construction of a 30,000 square foot community library in Bonita Springs for a projected cost of $14.1 million.
- Design and construction of a 25,000 square foot community library in North Fort Myers for a projected cost of $12.5 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 thirty-one days to two years and interest earned ranged from 0.42 percent to 1.09 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 0.538 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 2016.

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, 2015. This was the 31st 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, Shelby Smith, Karen Vivian, Kirk Knowles, and Angie Kershaw are especially noteworthy.

Respectfully submitted,

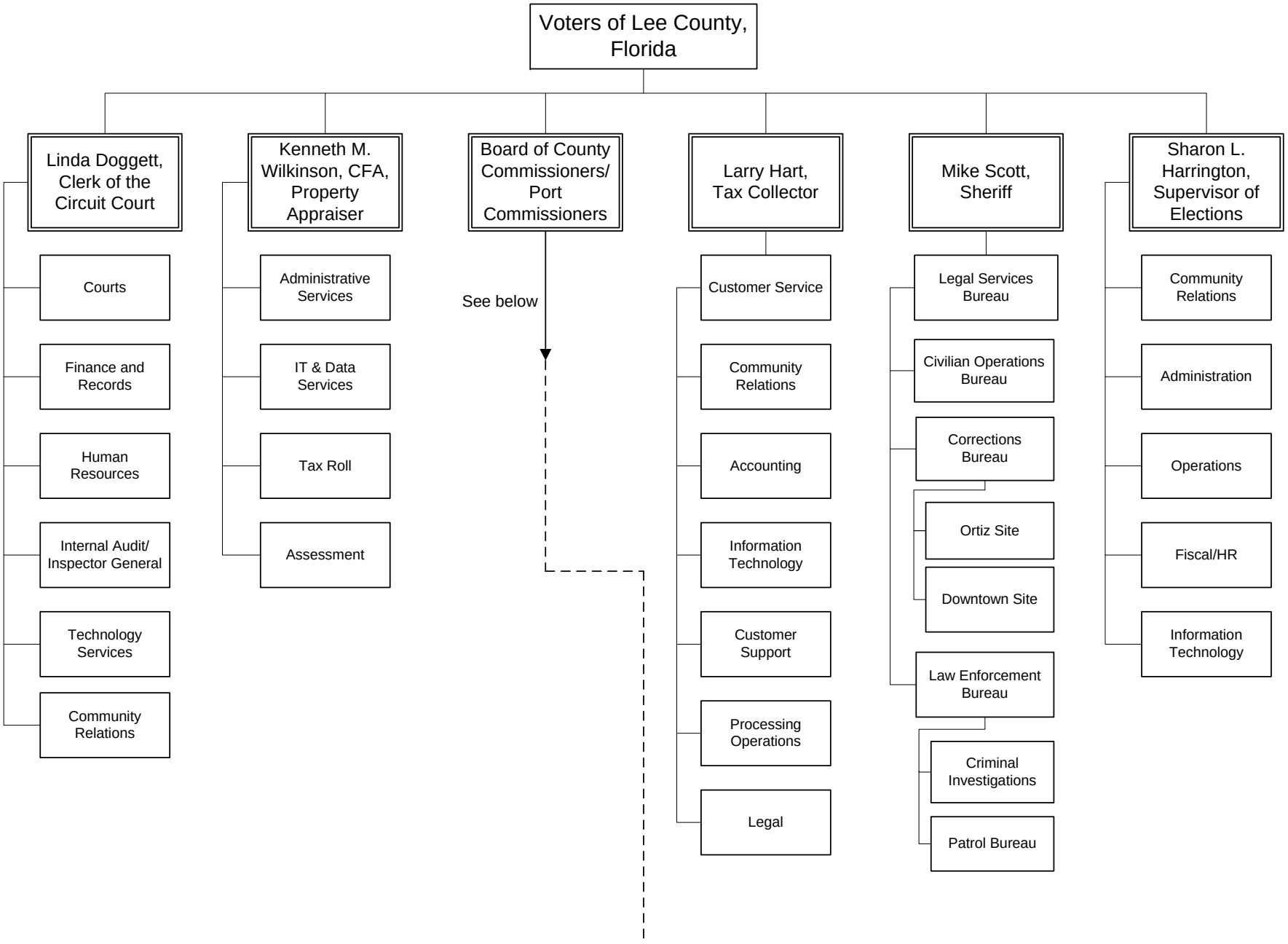
Linda Doggett
Clerk of Circuit Court

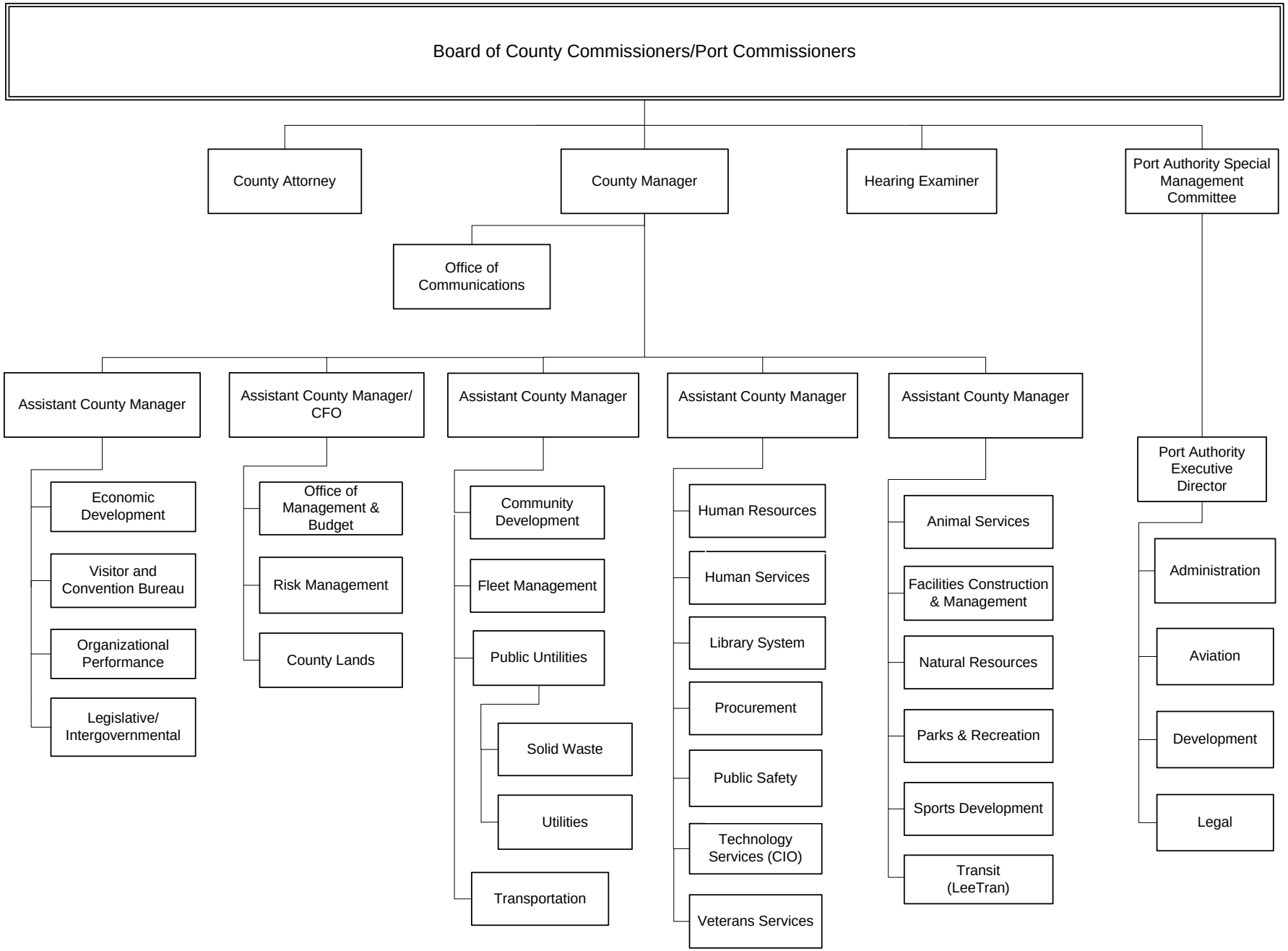
Terry Mallow, CPA
Chief Financial Control Officer

Michele Crowell
General Accounting Manager

Lee County Government

as of September 30, 2016




Board of County Commissioners/Port Commissioners
County Attorney
County Manager
Hearing Examiner
Port Authority Special Management Committee
Office of Communications
Assistant County Manager
Assistant County Manager/ CFO
Assistant County Manager
Assistant County Manager
Assistant County Manager
Port Authority Executive Director
Economic Development
Visitor and Convention Bureau
Organizational Performance
Legislative/ Intergovernmental
Office of Management & Budget
Risk Management
County Lands
Community Development
Fleet Management
Public Untilities
Solid Waste
Utilities
Transportation
Human Resources
Human Services
Library System
Procurement
Public Safety
Technology Services (CIO)
Veterans Services
Animal Services
Facilities Construction & Management
Natural Resources
Parks & Recreation
Sports Development
Transit (LeeTran)
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, 2015

Executive Director/CEO



This page is intentionally blank.


Financial
Section

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, 2016, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit.

We 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%	8%	1%
General Fund	13%	4%	0%
Aggregate Remaining Fund Information	4%	11%	2%

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.

Auditors' Responsibility (Continued)

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, 2016, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of funding progress and employer contributions – other postemployment benefit plan and schedules of the County's proportionate share of the net pension liability and of its contributions – pension plans on pages 17-27 and 100-102, 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 March 23, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the 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
March 23, 2017

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, 2016. 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 2016, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources, resulting in total net position of $3,208,784,000. Of this amount, $211,674,000 represents unrestricted net position.
- Governmental and business-type portions of net position are $1,688,273,000 and $1,520,511,000, respectively.
- The County's total net position increased $28,017,000, or .9 percent, in comparison to prior year.
- The County's governmental activities total net position of $1,688,273,000 decreased $23,212,000, or -1.4 percent, in comparison to prior year. Approximately 2.8 percent of the total, or $47,729,000, is a deficit balance.
- The County's business-type activities total net position of $1,520,511,000 increased $51,229,000, or 3.5 percent, in comparison to prior year. Approximately 17.1 percent of the total, or $259,403,000, is unrestricted, and thus available for spending at the County's discretion.
- The County reported a liability of $361,133,000 for its proportionate share of the FRS and HIS net pension liabilities.
- Total revenues increased $59,522,000, or 5.9 percent, in comparison to prior year.
- Total expenses increased $69,301,000, or 7.1 percent, in comparison to prior year.

Government-wide Financial Statements

The government-wide financial statements (statement of net position and statement of activities found on pages 30-33) 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, 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 34-38) 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.

One of the County's governmental funds, the General Fund, is classified as a major fund. 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 39-45), 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 46-47) 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 2016 and 2015.

Lee County, Florida
Summary of Net Position
September 30, 2016 and 2015
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	$713,093	$685,413	$633,324	$614,419	$1,346,417	$1,299,832
Capital assets	1,792,797	1,805,534	1,802,288	1,778,588	3,595,085	3,584,122
Total assets	2,505,890	2,490,947	2,435,612	2,393,007	4,941,502	4,883,954
Total deferred outflows of resources	121,219	33,266	35,945	21,274	157,164	54,540
Current liabilities	52,229	54,428	72,444	58,585	124,673	113,013
Non-current liabilities	876,025	720,627	877,124	879,887	1,753,149	1,600,514
Total liabilities	928,254	775,055	949,568	938,472	1,877,822	1,713,527
Total deferred inflows of resources	10,582	37,673	1,478	6,527	12,060	44,200
Net Position:						
Net investment in capital assets	1,516,589	1,520,900	1,123,905	1,097,836	2,640,494	2,618,736
Restricted	219,413	193,279	137,203	120,828	356,616	314,107
Unrestricted (deficit)	(47,729)	(2,694)	259,403	250,618	211,674	247,924
Total net position	$1,688,273	$1,711,485	$1,520,511	$1,469,282	$3,208,784	$3,180,767

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 $2,640,494,000 (82.3 percent of total net position) increased $21,758,000, or .8 percent, in comparison to prior year.

The restricted net position balance of $356,616,000 (11.1 percent of total net position), increased $42,509,000, or 13.5 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 $211,674,000 (6.6 percent of total net position), decreased $36,250,000 or -14.6 percent, in comparison to prior year. The unrestricted net position 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, 2016 and 2015

(amounts expressed in thousands)

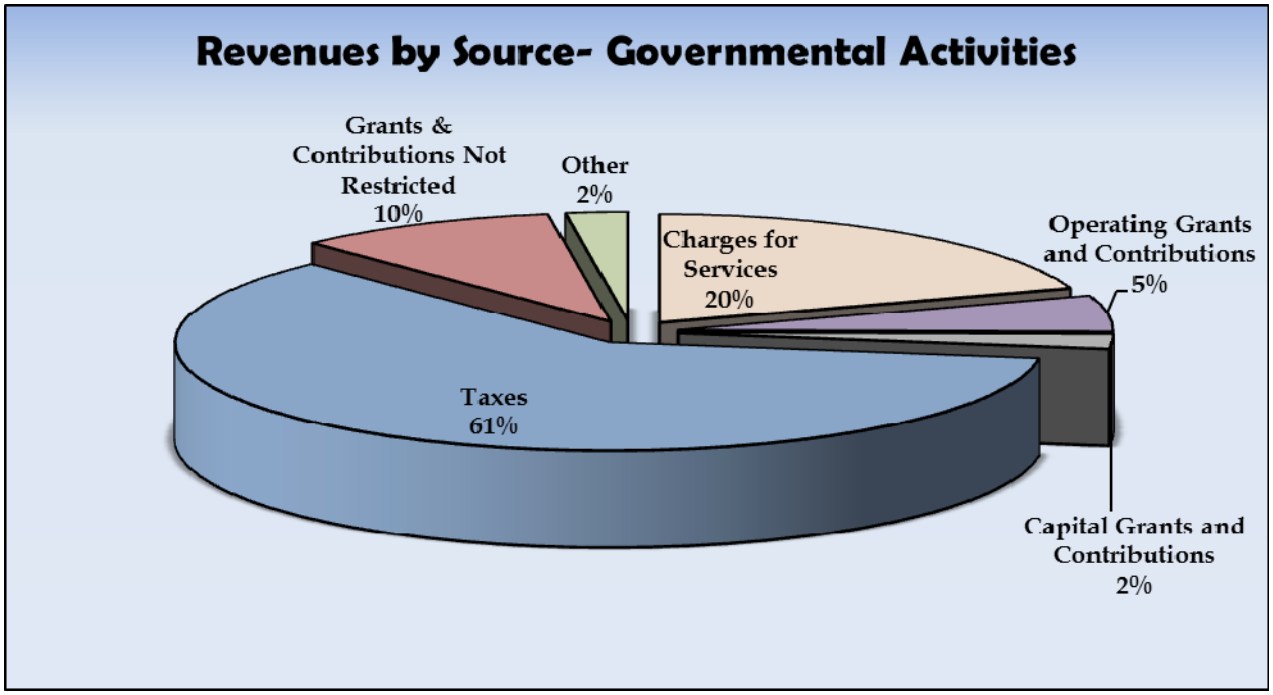
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	$128,784	$122,177	$344,500	$335,982	$473,284	$458,159
Operating grants and contributions	35,317	35,056	8,012	6,493	43,329	41,549
Capital grants and contributions	13,870	6,537	57,482	40,757	71,352	47,294
General revenues:						
Taxes	394,357	378,631	3,241	2,362	397,598	380,993
Grants and contributions not restricted to specific programs	63,286	61,140	-	-	63,286	61,140
Other	15,020	16,558	4,688	3,342	19,708	19,900
Total revenues	650,634	620,099	417,923	388,936	1,068,557	1,009,035
Expenses:						
Program activities:						
General government	236,899	216,751			236,899	216,751
Public safety	233,457	208,633			233,457	208,633
Physical environment	13,084	13,765			13,084	13,765
Transportation	55,678	56,850			55,678	56,850
Economic environment	28,218	26,922			28,218	26,922
Human services	21,189	19,974			21,189	19,974
Culture and recreation	77,099	76,057			77,099	76,057
Interest on long-term debt	10,494	11,189			10,494	11,189
Indirect expenses	(3,355)	(3,468)	3,355	3,468	-	-
Business-type activities:						
Airport			117,927	104,354	117,927	104,354
Water and wastewater			105,834	102,616	105,834	102,616
Transit			28,247	26,705	28,247	26,705
Transportation Facilities			22,813	23,668	22,813	23,668
Solid Waste			89,601	83,755	89,601	83,755
Total expenses	672,763	626,673	367,777	344,566	1,040,540	971,239
Total change in net position before transfers	(22,129)	(6,574)	50,146	44,370	28,017	37,796
Transfers	(1,083)	12,323	1,083	(12,323)	-	-
Change in net position	(23,212)	5,749	51,229	32,047	28,017	37,796
Net position October 1	1,711,485	1,705,736	1,469,282	1,437,235	3,180,767	3,142,971
Net position September 30	$1,688,273	$1,711,485	$1,520,511	$1,469,282	$3,208,784	$3,180,767

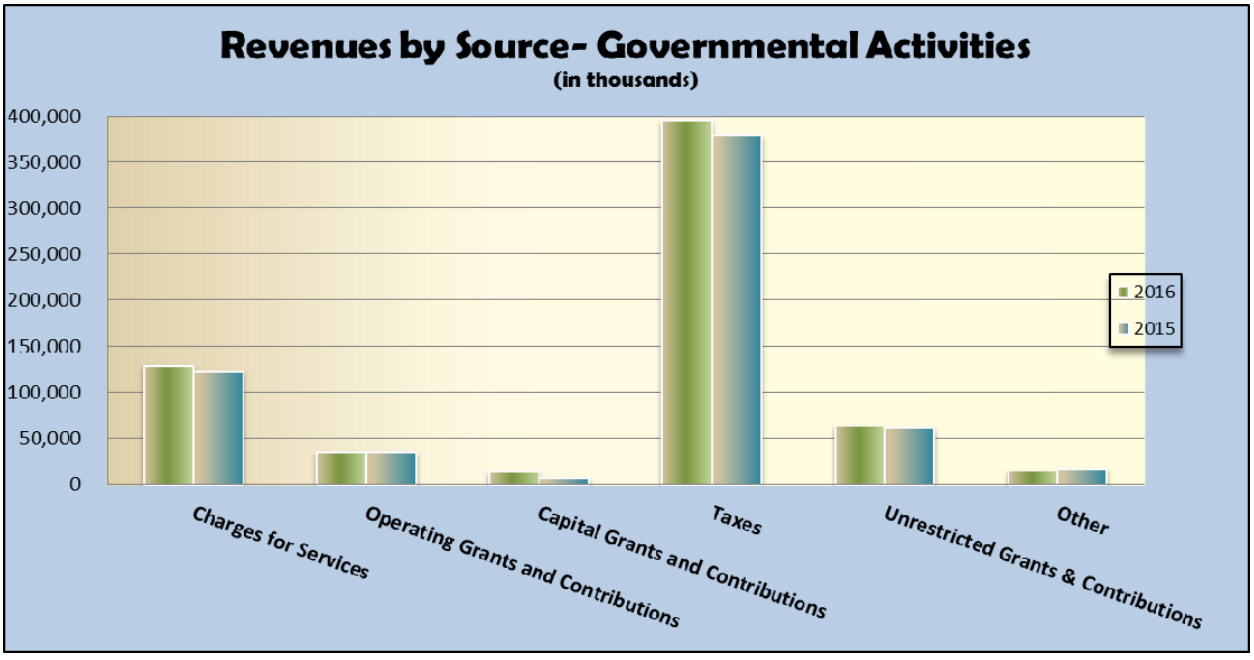
Total revenues increased $59,522,000, or 5.9 percent, in comparison to prior year. Total expenses increased $69,301,000, or 7.1 percent, in comparison to prior year.

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 $14,943,000, $87,953,000, $153,199,000, ($27,091,000), and ($23,212,000), respectively. The decrease in the governmental activities' net investment in capital assets is $4,311,000, or -.3 percent, in comparison to prior year.

Total revenues for governmental activities increased $30,535,000 or 4.9 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 2016 and a chart of revenues by source for 2016 and 2015.

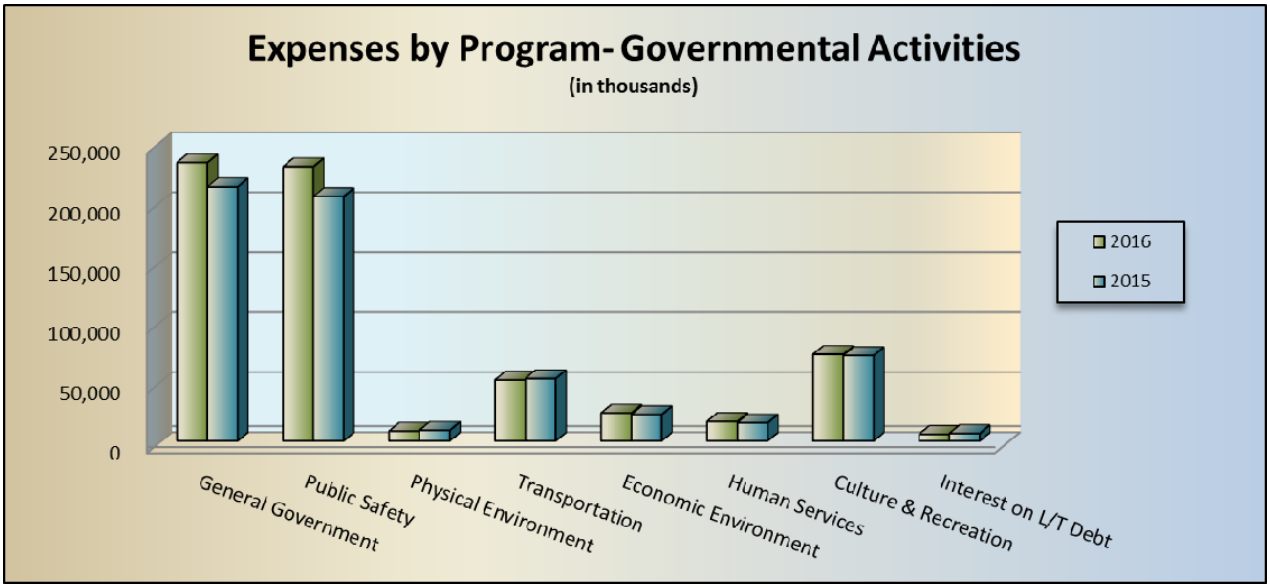




The main components of the change in total revenues for governmental activities were as follows:

- Taxes increased $15,726,000, or 4.2 percent, in comparison to prior year, primarily due to an increase in Ad Valorem taxes collected of $16,079,000 as a result of an increase in the property value base.
- Charges for Services increased $6,607,000, or 5.4 percent, in comparison to prior year, due to several factors. An increase of $4,252,000 in Ambulance Fees as a result of increased activity and a decrease in the charge lag, an increase of $2,960,000 as a result of an interlocal agreement with the Village of Estero for Municipal Services, offset by a decrease of $1,340,000 in building permit fees and plan review fees due to a high volume of permitting in the prior year.
- Capital grants and contributions increased $7,333,000, or 112.2 percent, in comparison to prior year, primarily due to a FDOT grant of $3,212,000 for the Burnt Store Road project and $4,050,000 due to receipt of the Pine Island property rights.

The following is a chart of expenses by program for governmental activities for fiscal years 2016 and 2015.



Total expenses for governmental activities increased $46,090,000, or 7.4 percent, in comparison to prior year. The main components of the change in total expenses for governmental activities were as follows:

- General government increased $20,148,000 or 9.3 percent, primarily due to an increase of $13,761,000 in pension expense, $2,100,000 in salaries due to a budgeted salary increase, $2,447,000 due to the Justice Center Renovation major maintenance project, and $2,413,000 due to higher personnel and operating costs for the Supervisor of Elections.
- Public safety increased $24,824,000 or 11.9 percent, primarily due to an increase of $10,894,000 in Sheriff salaries and operating expenses, a $9,427,000 increase in pension expense, and a $1,706,000 increase in compensated absences.

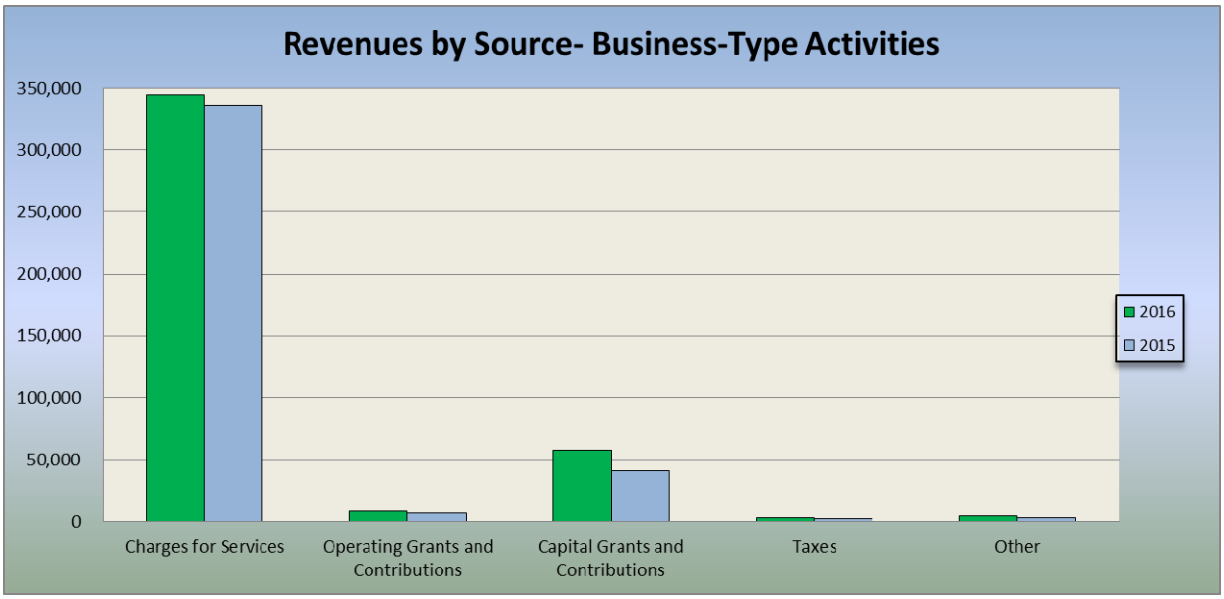
Business-Type Activities

The business-type activities increased or (decreased) the County's total assets, total deferred outflows of resources, total liabilities, deferred inflows of resources, and total net position by $42,605,000, $14,671,000, $11,096,000, ($5,049,000), and $51,229,000, respectively. The increase in the business-type activities' net investment in capital assets is $26,069,000, or 2.4 percent, in comparison to prior year.

Total revenues reported in business-type activities increased $28,987,000, or 7.5 percent, in comparison to prior year. The increase is primarily due to an increase in charges for services of $8,518,000, or 2.5 percent, and an increase in capital grants and contributions of $16,725,000, or 41.0 percent.

- Solid Waste user fees increased $8,738,000 due to an increase in disposal rates, increased tonnage, and metal sales revenue and Electric Utilities decreased $4,974,000 as a result of expiration of renewable energy credits, a decline in the natural gas index, and a turbine outage. Transportation Facilities' toll revenue increased $1,290,000 due to an increase in bridge traffic, Water and Wastewater user fees increased $1,266,000, and Port Authority concession revenue increased $1,490,000.
- Port Authority capital contributions increased $17,241,000 due to grants received for capital projects.

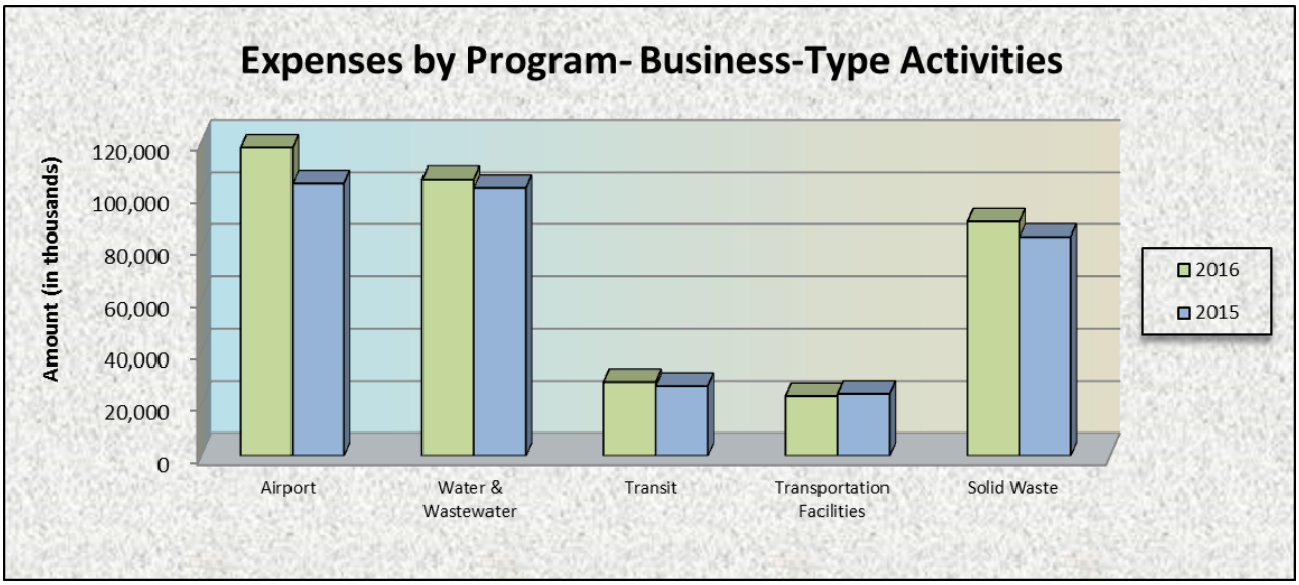
The following is a chart of revenues by source for business-type activities for fiscal years 2016 and 2015.



Total business-type expenses increased $23,211,000, or 6.7 percent, in comparison to prior year. The increase is primarily due to an increase in Airport expenses of $13,573,000, or 13.0 percent, and an increase in Solid Waste expenses of $5,846,000, or 7.0 percent.

- Airport contractual services, materials, and supplies increased $6,870,000 due to terminal stucco refurbishing and remediation of wildlife area projects. Salaries and wages and employee benefits increased $5,077,000 due to new positions in the current year, merit increases, and higher pension expense. Repairs and maintenance increased $1,081,000 due to increased costs for jet bridge repairs, AC units, and UPS replacements.
- Solid Waste contractual services, materials, and supplies expense increased $4,057,000 due to an increase in costs for franchise hauling operations, disposal waste-to-energy facilities operations, recycling service and e-scrap transportation, and construction and debris operations.

The following is a chart of expenses by program for business-type activities for fiscal years 2016 and 2015.



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 the General Fund, which is reported as a major fund:

*General Fund- A*d valorem taxes increased $17,362,000, or 7.4 percent, due to an increase in assessed property values. Charges for services increased $5,491,000 primarily due to an increase of $4,252,000 in Ambulance Fees as a result of increased activity and a decrease in the charge lag. Expenditures increased $31,342,000, or 9.7 percent, primarily due to an increase in general government salaries and related costs, the Justice Center Renovation major maintenance project, higher personal and operating costs for the Supervisor of Elections and the Sheriff, and an increase in public safety capital expenditures for a helicopter lease entered into by the Sheriff.

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 $1,233,000, or 1.3 percent, in comparison to prior year as a result of an increase in parking concession revenue. Total operating expenses increased $14,704,000, or 16.6

percent, in comparison to prior year primarily due to an increase in salaries and benefits and contractual services, materials and supplies. Capital grants and contributions were $17,241,000, or 143.7 percent, higher compared to the prior year due to reimbursement grants received for capital projects.

Water and Wastewater – Net operating revenue increased $1,247,000, or 1.2 percent, in comparison to prior year. User fees increased by $1,266,000, or 1.2 percent, due to an increase in customer base. Operating expenses increased $4,785,000, or 5.0 percent, in comparison to prior year primarily due to an increase in salaries and benefits, depreciation, and contractual services, materials, and supplies. Capital contributions were $677,000, or 3.5 percent, higher compared to the prior year due to an increase in prepaid water and sewer connection fees.

Transportation Facilities – Net operating revenue increased $1,709,000, or 4.0 percent, in comparison to prior year due to an increase in bridge traffic resulting in an increase in toll revenue and toll violations. Total operating expenses increased $136,000, or .8 percent, in comparison to prior year.

Solid Waste – Net operating revenue increased $3,877,000, or 5.2 percent, in comparison to prior year due to an increase in user fees of $8,738,000 offset by a decrease in miscellaneous revenue of $5,067,000. Total operating expenses increased $5,078,000, or 6.3 percent, in comparison to prior year primarily due to an increase in contractual services, materials, and supplies.

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 $11,107,000. The changes include:

- $1,934,000 increase for West Coast Inland Navigation District (WCIND) pass through grant projects.
- $1,399,000 increase for the Low Income Home Energy Assistance Program (LIHEAP) grant.
- $1,083,000 increase for Human Services grants received for veteran housing assistance, homeless housing and relocation services, and the Bob Janes Triage Center.
- $1,500,000 increase for the Sheriff's Automated Fingerprint Identification System upgrade.
- $1,230,000 increase for miscellaneous revenue received by the Sheriff to cover expenditures related to false alarms, overtime associated with background checks and fingerprinting services, vehicle repairs, and fuel.

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 $22,887,000. 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, 2016 and 2015.

Lee County, Florida
Summary of Capital Assets
September 30, 2016 and 2015
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Artwork	$324	$324	$293	$293	$617	$617
Land	596,440	591,263	225,763	225,757	822,203	817,020
Construction in progress	31,758	17,047	120,894	70,015	152,652	87,062
Easements & rights of way	66,659	66,659	19,538	19,372	86,197	86,031
Software in progress	481	550	689	-	1,170	550
Buildings	595,342	594,761	576,391	575,395	1,171,733	1,170,156
Improvement other than buildings	227,216	225,066	490,224	475,501	717,440	700,567
Machinery & equipment	276,282	262,695	471,455	441,178	747,737	703,873
Software	16,537	15,556	4,276	4,147	20,813	19,703
Infrastructure	757,247	756,770	1,034,592	1,022,739	1,791,839	1,779,509
Total capital assets	2,568,286	2,530,691	2,944,115	2,834,397	5,512,401	5,365,088
Accumulated depreciation	(775,489)	(725,157)	(1,141,827)	(1,055,809)	(1,917,316)	(1,780,966)
Total	$1,792,797	$1,805,534	$1,802,288	$1,778,588	$3,595,085	$3,584,122

Noteworthy capital asset purchases/completed projects that took place in fiscal year 2016 were as follows:

- Southwest Florida International Airport Closed Circuit Television System and Communication System upgrades
- Restoration of the Fiesta Village Wastewater Treatment Plant
- US 41 water main replacements
- Florida Gulf Coast University water and sewer main extensions

Additional information on the County's capital assets can be found in Note V on pages 65-68.

Debt Administration

At September 30, 2016, the County had $841,693,000 of outstanding bonded debt. The revenue bonds, which are each payable from a specific revenue stream, had an outstanding balance of $841,693,000, or 100 percent of the total bonded debt. The outstanding bond balance decreased $42,585,000 or -4.8 percent, in comparison to prior year. In the current year, the County issued the Series 2016 Solid Waste System Refunding Revenue Bonds in the amount of $66,160,000. The proceeds were used to currently refund $76,345,000 of outstanding Solid Waste System Revenue Bonds, Series 2006A.

Total long-term liabilities of $1,753,149,000, which includes bonds payable (net of unamortized discounts/premiums), variable debt, notes payable, capital leases, self-insurance claims payable, compensated absences, other postemployment benefits, net pension, and landfill closure and postclosure costs increased by $152,635,000, or 9.5 percent, in comparison to prior year.

The following is a schedule of outstanding bonds as of September 30, 2016 and 2015.

Lee County, Florida
Summary of Outstanding Debt
September 30, 2016 and 2015
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenue Bonds	$212,083	$219,158	$629,610	$665,120	$841,693	$884,278
Total	$212,083	$219,158	$629,610	$665,120	$841,693	$884,278

Standard and Poor's Rating Group suggests that debt service should not exceed 10-15 percent of appropriations. The fiscal year 2016 debt service was 5.0 percent of appropriations, 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 5.3 percent is primarily attributable to refinancing of debt at lower costs.

Additional information on the County's long-term debt can be found in Note V on pages 71-83.

Economic Factors and Next Year's Budget Rates

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

- Lee County had a 4.7 percent unemployment rate as compared to the State, which had a 4.7 percent unemployment rate, and the nation which had a 5.0 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 2016-2017 budget.
- There was an increase in the property values from fiscal year 2016, which is used for fiscal year 2017, of 8.5 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.



This page is intentionally blank.

Basic Financial Statements



Lee County, Florida
STATEMENT OF NET POSITION
As of September 30, 2016
(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash, cash equivalents and investments	$ 446,424	$ 371,631	$ 818,055
Receivables (net)	6,231	36,266	42,497
Due from other governments	8,326	60	8,386
Internal balances	9,861	(9,861)	-
Inventories	3,121	2,464	5,585
Prepaids	3,238	1,449	4,687
Other assets	250	246	496
Restricted assets:			
Cash, cash equivalents and investments	223,305	229,123	452,428
Receivables	4,881	1,945	6,826
Due from other governments	5,894	-	5,894
Inventory	1,562	-	1,562
Other	-	1	1
Capital assets:			
Non-depreciable	695,662	367,177	1,062,839
Depreciable, net	1,097,135	1,435,111	2,532,246
Total Assets	2,505,890	2,435,612	4,941,502
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding of debt	1,642	13,828	15,470
Unamortized pension costs and subsequent contributions	119,577	22,117	141,694
Total Deferred Outflows of Resources	121,219	35,945	157,164
LIABILITIES			
Contracts and accounts payable	16,820	32,808	49,628
Accrued liabilities	5,932	1,558	7,490
Due to other governments	6,443	1,919	8,362
Customer deposits	2,786	757	3,543
Unearned revenues	709	2,250	2,959
Refunds and rebates	-	4,790	4,790
Liabilities payable from restricted assets:			
Contracts and accounts payable	6,622	5,643	12,265
Accrued liabilites	382	-	382
Due to other governments	1,882	41	1,923
Customer deposits	4,384	6,033	10,417
Unearned revenue	283	1,793	2,076
Accrued interest payable	5,986	14,852	20,838
Noncurrent liabilities:			
Due within one year	35,030	32,048	67,078
Due in more than one year	840,995	845,076	1,686,071
Total Liabilities	928,254	949,568	1,877,822

(continued)

Lee County, Florida
STATEMENT OF NET POSITION
As of September 30, 2016
(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Gain on refunding of debt	350	256	606
Unamortized pension costs	10,232	1,222	11,454
Total Deferred Inflows of Resources	10,582	1,478	12,060
NET POSITION			
Net investment in capital assets	1,516,589	1,123,905	2,640,494
Restricted for:			
Capital projects	127,648	84,864	212,512
Debt service	10,011	28,204	38,215
Inventory for resale	1,562	-	1,562
Special revenue funds:			
Improvement districts	10,443	-	10,443
Culture & recreation	5,959	-	5,959
Economic development	17,330	-	17,330
Health, safety & welfare	23,707	-	23,707
Transportation roads	11,849	-	11,849
Court programs	2,080	-	2,080
Public records	4,290	-	4,290
Inmate welfare	1,624	-	1,624
Driver's education	674	-	674
Law enforcement activities	2,236	-	2,236
Renewal and replacement	-	24,135	24,135
Unrestricted (deficit)	(47,729)	259,403	211,674
Total Net Position	$ 1,688,273	$ 1,520,511	$ 3,208,784

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



This page is intentionally blank.

Lee County, Florida
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2016
(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	$ 236,899	$ (8,120)	$ 73,047	$ 3,829	$ 4,228	$ (147,675)	$ -	$ (147,675)
Public safety	233,457	555	43,416	5,714	538	(184,344)	-	(184,344)
Physical environment	13,084	167	2,039	4,124	125	(6,963)	-	(6,963)
Transportation	55,678	936	1,024	9,378	7,681	(38,531)	-	(38,531)
Economic environment	28,218	353	440	7,625	-	(20,506)	-	(20,506)
Human services	21,189	339	2,542	3,063	7	(15,916)	-	(15,916)
Culture and recreation	77,099	2,415	6,276	1,584	1,291	(70,363)	-	(70,363)
Interest on long-term debt	10,494	-	-	-	-	(10,494)	-	(10,494)
Total governmental activities	676,118	(3,355)	128,784	35,317	13,870	(494,792)	-	(494,792)
Business-type activities:								
Airport	117,927	476	111,544	296	29,239	-	22,676	22,676
Water and Wastewater	105,834	1,477	108,034	269	20,303	-	21,295	21,295
Transit	28,247	466	4,052	7,447	7,940	-	(9,274)	(9,274)
Transportation Facilities	22,813	378	44,792	-	-	-	21,601	21,601
Solid Waste	89,601	558	76,078	-	-	-	(14,081)	(14,081)
Total business-type activities	364,422	3,355	344,500	8,012	57,482	-	42,217	42,217
Total primary government	1,040,540	-	473,284	43,329	71,352	(494,792)	42,217	(452,575)
General revenues:								
Taxes:								
Property taxes						308,241	1,257	309,498
Gas taxes						20,404	-	20,404
Tourist taxes						39,638	-	39,638
Communication taxes						8,705	-	8,705
Franchise fees						17,369	1,984	19,353
Grants and contributions not restricted to specific programs						63,286	-	63,286
Investment earnings						4,728	3,129	7,857
Miscellaneous						10,292	1,559	11,851
Transfers						(1,083)	1,083	-
Total general revenues and transfers						471,580	9,012	480,592
Change in net position						(23,212)	51,229	28,017
Net position - beginning						1,711,485	1,469,282	3,180,767
Net position - ending						$ 1,688,273	$ 1,520,511	$ 3,208,784

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

Lee County, Florida
BALANCE SHEET
GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash, cash equivalents and investments	$ 144,648	$ 424,471	$ 569,119
Cash and cash equivalents with fiscal agent	-	15,992	15,992
Receivables (net)			
Accounts	5,210	508	5,718
Special assessments	-	4,081	4,081
Accrued interest	139	685	824
Due from other funds	992	11,992	12,984
Due from other governments	4,998	8,863	13,861
Inventory	1,849	2,532	4,381
Advances	5	-	5
Other	45	84	129
Total assets	157,886	469,208	627,094
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Contracts and accounts payable	11,592	9,499	21,091
Accrued liabilities	4,304	1,751	6,055
Due to other funds	1,417	2,619	4,036
Due to other governments	4,643	3,557	8,200
Deposits and overbids	2,739	4,384	7,123
Unearned revenues	235	757	992
Other	47	-	47
Total liabilities	24,977	22,567	47,544
Deferred Inflows of Resources:			
Accounts receivable	-	117	117
Grants receivable	-	1,342	1,342
Special assessment receivable	-	4,335	4,335
Total deferred inflows of resources	-	5,794	5,794
Fund Balances:			
Nonspendable	292	2,532	2,824
Restricted	1,562	223,656	225,218
Committed	6	210,498	210,504
Assigned	7,069	4,161	11,230
Unassigned	123,980	-	123,980
Total fund balances	132,909	440,847	573,756
Total liabilities, deferred inflows of resources, and fund balances	$ 157,886	$ 469,208	$ 627,094

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

Lee County, Florida
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
As of September 30, 2016
(amounts expressed in thousands)

Fund balances - total governmental funds		$ 573,756
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	693,520	
Depreciable governmental capital assets, net	1,082,183	1,775,703
Other assets are not available to pay for current period expenditures and are reported as deferred inflows in the funds.		5,794
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.		2,496
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.		1,642
Net deferred outflows (inflows) of resources related to pensions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		108,578
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	(224,515)	
Accrued interest payable	(5,986)	
Capital lease payable	(5,246)	
Variable debt payable	(30)	
Notes payable	(46,034)	
Net pension liability	(298,655)	
Other post employment benefits	(250,065)	
Compensated absences	(21,352)	(851,883)
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.		(350)
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.		72,537
Net position of governmental activities		$1,688,273

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, 2016
(amounts expressed in thousands)

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	$ 268,413	$ 125,944	$ 394,357
Licenses and permits	210	9,023	9,233
Intergovernmental	72,876	28,137	101,013
Charges for services	49,626	39,356	88,982
Fines and forfeitures	154	1,391	1,545
Impact fees	-	5,262	5,262
Special assessments	-	1,241	1,241
Miscellaneous	6,266	7,933	14,199
Total revenues	397,545	218,287	615,832
EXPENDITURES			
Current			
General government	102,007	41,414	143,421
Public safety	195,217	22,951	218,168
Physical environment	5,101	5,669	10,770
Transportation	83	33,855	33,938
Economic environment	5,658	22,014	27,672
Human services	13,861	7,194	21,055
Culture and recreation	16,389	46,831	63,220
Capital outlay			
General government	2,843	1,563	4,406
Public safety	12,698	2,841	15,539
Physical environment	77	652	729
Transportation	-	17,401	17,401
Economic environment	4	441	445
Human services	-	5	5
Culture and recreation	525	2,172	2,697
Debt service			
Principal retirement	233	10,590	10,823
Interest and fiscal charges	-	11,573	11,573
Total expenditures	354,696	227,166	581,862
Excess (deficiencies) of revenues over (under) expenditures	42,849	(8,879)	33,970
OTHER FINANCING SOURCES AND (USES)			
Transfers in	2,774	110,963	113,737
Transfers out	(55,779)	(61,041)	(116,820)
Capital lease proceeds	5,169	-	5,169
Total other financing sources and (uses)	(47,836)	49,922	2,086
Net change in fund balances	(4,987)	41,043	36,056
Fund balances - beginning	137,896	399,804	537,700
Fund balances - ending	$ 132,909	$ 440,847	$ 573,756

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

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, 2016

(amounts expressed in thousands)

Net change in fund balances - total governmental funds:		$ 36,056
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	41,222	
Less current year depreciation	(58,993)	(17,771)
The net effect of various miscellaneous transactions involving capital and intangible assets (i.e., disposals, transfers, donations) is to increase net position.		3,225
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.		(306)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		172
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	(5,169)	
Principal payments	10,823	5,654
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	(31,126)	
Pension expense adjustment	(14,610)	
Change in compensated absences	(719)	(46,456)
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	(501)	
Amortization of bond premiums, discounts, refunding gains and losses	1,557	1,057
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		(4,843)
Change in net position of governmental activities		($23,212)

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, 2016
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	$ 264,326	$ 264,326	$ 268,413	$ 4,087
Licenses and permits	150	150	210	60
Intergovernmental	69,031	75,654	72,563	(3,091)
Charges for services	61,972	62,176	62,761	585
Fines and forfeitures	157	157	154	(3)
Miscellaneous	4,165	5,731	6,198	467
Total revenues	399,801	408,194	410,299	2,105
EXPENDITURES				
Current				
General government	125,749	127,448	116,652	10,796
Public safety	192,921	195,959	195,189	770
Physical environment	6,709	8,941	5,101	3,840
Transportation	113	113	83	30
Economic environment	4,216	8,047	4,920	3,127
Human services	13,962	15,083	13,861	1,222
Culture and recreation	20,226	20,376	16,389	3,987
Capital outlay				
General government	1,543	1,926	2,843	(917)
Public safety	7,577	8,131	7,762	369
Physical environment	60	60	77	(17)
Economic environment	2,134	-	4	(4)
Culture and recreation	199	199	525	(326)
Debt service				
Principal retirement	-	233	233	-
Interest and fiscal charges	10	10	-	10
Total expenditures	375,419	386,526	363,639	22,887
Excess of revenues over expenditures	24,382	21,668	46,660	24,992
OTHER FINANCING SOURCES (USES)				
Transfers in	200,146	202,383	199,523	(2,860)
Transfers out	(244,049)	(250,251)	(252,016)	(1,765)
Capital lease proceeds	-	233	233	-
Total other financing sources (uses)	(43,903)	(47,635)	(52,260)	(4,625)
Net change in fund balance	(19,521)	(25,967)	(5,600)	20,367
Fund balances - beginning	135,312	135,312	137,572	2,260
Fund balances - ending	$ 115,791	$ 109,345	$ 131,972	$ 22,627

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, 2016
(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, cash equivalents and investments	$ 117,692	$ 135,785	$ 35,995	$ 79,250	$ 2,890	$ 371,612	$ 84,618
Cash and cash equivalents with fiscal agent	-	-	-	19	-	19	-
Restricted assets							
Cash, cash equivalents and investments	17,219	26,747	4,549	275	-	48,790	-
Cash and cash equivalents with fiscal agent	-	-	9,147	-	-	9,147	-
Receivables (net)	11,238	12,047	33	3,041	7,707	34,066	342
Due from other funds	-	2	47	183	54	286	347
Due from other governments	8	-	52	-	-	60	506
Inventories	164	2,061	239	-	-	2,464	302
Other	1,236	97	64	18	34	1,449	863
Total current assets	147,557	176,739	50,126	82,786	10,685	467,893	86,978
Noncurrent Assets:							
Restricted assets							
Cash, cash equivalents and investments	48,822	43,716	-	20,288	-	112,826	-
Cash and cash equivalents with fiscal agent	17,219	38,408	2,728	5	-	58,360	-
Receivables (net):	1,885	58	2	-	-	1,945	-
Other	1	-	-	-	-	1	-
Receivables (net)	-	-	-	2,200	-	2,200	-
Capital assets:							
Non-depreciable	180,892	100,748	44,525	30,636	10,376	367,177	2,142
Depreciable	784,627	988,812	313,095	405,814	84,590	2,576,938	60,004
Less accumulated depreciation	(274,786)	(521,754)	(121,427)	(199,904)	(23,956)	(1,141,827)	(45,052)
Unamortized bond insurance	-	-	246	-	-	246	-
Total noncurrent assets	758,660	649,988	239,169	259,039	71,010	1,977,866	17,094
Total assets	906,217	826,727	289,295	341,825	81,695	2,445,759	104,072
DEFERRED OUTFLOWS OF RESOURCES							
Loss on refunding of debt	7,307	3,893	2,251	377	-	13,828	-
Unamortized pension costs and subsequent contributions	10,509	4,862	1,235	1,692	3,819	22,117	811
Total deferred outflows of resources	17,816	8,755	3,486	2,069	3,819	35,945	811

(continued)

Lee County, Florida
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of September 30, 2016
(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	12,348	7,467	211	8,587	4,195	32,808	2,351
Accrued liabilities	411	496	113	173	365	1,558	259
Refunds and rebates	4,790	-	-	-	-	4,790	-
Due to other funds	7	38	9,511	5	10	9,571	10
Due to other governments	286	512	622	342	157	1,919	125
Customer deposits	743	-	-	14	-	757	-
Unearned revenues	1,883	367	-	-	-	2,250	-
Capital leases payable	357	151	-	-	-	508	208
Self-insurance claims payable	-	-	-	-	-	-	12,740
Compensated absences	1,148	96	27	30	56	1,357	22
Net pension liability	187	149	58	54	160	608	26
Current liabilities payable from restricted assets:							
Contracts and accounts payable	-	5,517	-	126	-	5,643	-
Accrued liabilities	7,469	4,654	2,580	149	-	14,852	-
Due to other governments	-	13	28	-	-	41	-
Customer deposits	-	6,033	-	-	-	6,033	-
Unearned revenues	-	-	1,793	-	-	1,793	-
Notes payable - current	-	3,065	5,310	-	-	8,375	-
Revenue bonds payable - current	9,750	7,465	3,985	-	-	21,200	-
Total current liabilities	39,379	36,023	24,238	9,480	4,943	114,063	15,741
Noncurrent liabilities:							
Self-insurance claims payable	-	-	-	-	-	-	10,652
Compensated absences	357	836	238	261	492	2,184	179
Capital leases payable	1,116	398	-	-	-	1,514	431
Notes payable	-	40,269	5,400	-	589	46,258	-
Revenue bonds payable	281,086	180,017	114,174	76,994	-	652,271	-
Landfill closure and postclosure costs	-	-	-	13,893	-	13,893	-
Advances	5	-	-	-	-	5	-
Net pension liability	26,644	13,351	3,719	4,685	11,203	59,602	2,242
Other postemployment benefits	26,866	17,346	5,862	4,621	14,393	69,088	2,978
Other	-	266	-	-	-	266	650
Total noncurrent liabilities	336,074	252,483	129,393	100,454	26,677	845,081	17,132
Total liabilities	375,453	288,506	153,631	109,934	31,620	959,144	32,873

(continued)

Lee County, Florida
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of September 30, 2016
(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
DEFERRED INFLOWS OF RESOURCES							
Gain on refunding of debt	-	-	256	-	-	256	-
Unamortized pension costs	584	268	67	94	209	1,222	44
Total deferred inflows of resources	584	268	323	94	209	1,478	44
NET POSITION							
Net investment in capital assets	425,253	355,424	109,317	167,401	66,510	1,123,905	16,275
Restricted							
Capital projects	42,200	42,664	-	-	-	84,864	-
Debt service	9,755	8,727	9,698	24	-	28,204	-
Renewal and replacement	500	19,867	2,268	1,500	-	24,135	-
Unrestricted (deficit)	70,288	120,026	17,544	64,941	(12,825)	259,974	55,691
Total net position	$ 547,996	$ 546,708	$ 138,827	$ 233,866	$ 53,685	$ 1,521,082	$ 71,966
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(571)	
Net position of business-type activities						$ 1,520,511	

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, 2016

(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	$ 48,265	$ 106,028	$ -	$ 61,821	$ 3,901	$ 220,015	$ 119,295
Tolls	-	-	43,275	-	-	43,275	-
Rentals and franchise fees	5,748	182	-	1,984	149	8,063	-
Concessions	43,835	-	-	-	-	43,835	-
Miscellaneous	373	1,824	1,517	14,257	2	17,973	-
Total operating revenues	98,221	108,034	44,792	78,062	4,052	333,161	119,295
Less: Rebates	(3,534)	-	-	-	-	(3,534)	-
Net operating revenues	94,687	108,034	44,792	78,062	4,052	329,627	119,295
OPERATING EXPENSES							
Salaries and wages	22,180	14,551	3,345	4,921	10,557	55,554	2,401
Employee benefits	14,867	9,013	2,513	3,136	7,829	37,358	1,381
Contractual services, materials and supplies	31,297	19,688	1,859	58,458	2,919	114,221	18,150
Utilities	4,562	5,608	251	564	399	11,384	2,227
Repairs and maintenance	3,518	3,846	263	2,134	1,424	11,185	4,222
Insurance	1,723	716	847	410	504	4,200	5,023
Insurance claims	-	-	-	-	-	-	92,042
Other	2,327	3,929	665	973	838	8,732	709
Depreciation	22,550	42,465	7,686	14,541	3,862	91,104	3,187
Total operating expenses	103,024	99,816	17,429	85,137	28,332	333,738	129,342
Operating income (loss)	(8,337)	8,218	27,363	(7,075)	(24,280)	(4,111)	(10,047)
NON-OPERATING REVENUES (EXPENSES)							
Investment earnings	968	1,435	260	411	55	3,129	508
Taxes	-	-	-	1,257	-	1,257	-
Special assessments	-	209	-	-	-	209	-
Grants	296	269	-	(862)	7,315	7,018	(100)
Interest expense	(14,915)	(5,932)	(3,989)	(3,673)	(39)	(28,548)	(20)
Excess fees - City of Sanibel	-	-	(1,686)	-	-	(1,686)	-
Gain (loss) on disposal of capital assets	51	(243)	-	94	51	(47)	210
Passenger facility charges	16,857	-	-	-	-	16,857	-
Other revenues	2	402	956	179	20	1,559	965
Other expenses	(1)	(650)	(1)	(488)	-	(1,140)	-
Total non-operating revenues (expenses)	3,258	(4,510)	(4,460)	(3,082)	7,402	(1,392)	1,563

(continued)

Lee County, Florida

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Year Ended September 30, 2016

(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	(5,079)	3,708	22,903	(10,157)	(16,878)	(5,503)	(8,484)
Capital grants and contributions	29,239	20,094	-	-	7,940	57,273	17
Transfers in	-	-	-	141	12,425	12,566	2,000
Transfers out	-	-	(11,191)	(292)	-	(11,483)	-
Total contributions and transfers	29,239	20,094	(11,191)	(151)	20,365	58,356	2,017
Change in net position	24,160	23,802	11,712	(10,308)	3,487	52,853	(6,467)
Total net position - beginning	523,836	522,906	127,115	244,174	50,198	1,468,229	78,433
Total net position - ending	$ 547,996	$ 546,708	$ 138,827	$ 233,866	$ 53,685	$ 1,521,082	$ 71,966

Change in net position	52,853
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	(1,624)
Change in net position of business-type activities	$ 51,229

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, 2016
(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	$ 94,463	$ 107,784	$ 45,912	$ 80,022	$ 4,115	$ 332,296	$ 15,167
Receipts from interfund services provided	-	-	-	-	-	-	105,226
Cash received from customer deposits	35	1,405	-	1	-	1,441	-
Cash returned from customer deposits	(25)	(1,378)	-	-	-	(1,403)	-
Payments to suppliers	(41,100)	(27,893)	(5,641)	(59,715)	(4,417)	(138,766)	(120,289)
Payments to employees	(26,592)	(16,925)	(3,923)	(5,815)	(12,773)	(66,028)	(3,168)
Payments for interfund services used	(5,516)	(7,065)	(1,374)	(1,981)	(5,200)	(21,136)	(10)
Net cash provided by (used in) operating activities	21,265	55,928	34,974	12,512	(18,275)	106,404	(3,074)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Non-capital grants received	307	508	-	-	6,300	7,115	-
Non-capital grants issued	-	-	(1,686)	(862)	-	(2,548)	(100)
Transfers in	-	-	-	141	12,426	12,567	2,000
Transfers out	-	-	(11,191)	(292)	-	(11,483)	-
Net cash provided by (used in) noncapital financing activities	307	508	(12,877)	(1,013)	18,726	5,651	1,900
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from capital debt	-	-	-	8,117	-	8,117	-
Proceeds from special assessments	-	83	-	-	-	83	-
Proceeds from capital grants	25,094	10,212	-	-	3,212	38,518	-
Proceeds from passenger facilities charges	17,100	-	-	-	-	17,100	-
Capital asset purchases	(34,443)	(51,589)	(230)	(1,514)	(4,671)	(92,447)	(5,039)
Principal paid on bonds, loans, leases, and interfund loans	(9,489)	(10,546)	(8,980)	(5,080)	(1,368)	(35,463)	(203)
Interest paid on bonds, loans, leases, and interfund loans	(14,737)	(9,874)	(5,251)	(5,899)	(39)	(35,800)	(20)
Transfer to refunding escrow agent	-	-	-	(7,823)	-	(7,823)	-
Proceeds from sale of capital assets	217	123	10	137	104	591	429
Net cash (used in) capital and related financing activities	(16,258)	(61,591)	(14,451)	(12,062)	(2,762)	(107,124)	(4,833)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments	968	1,529	247	399	55	3,198	493
Net cash provided by investing activities	968	1,529	247	399	55	3,198	493
Net increase (decrease) in cash and cash equivalents and investments	6,282	(3,626)	7,893	(164)	(2,256)	8,129	(5,514)
Cash and cash equivalents at beginning of year	194,670	248,282	44,526	100,001	5,146	592,625	90,132
Cash and cash equivalents at end of year	$ 200,952	$ 244,656	$ 52,419	$ 99,837	$ 2,890	$ 600,754	$ 84,618
Classified as:							
Current assets							
Cash, cash equivalents and investments	$ 117,692	$ 135,785	$ 35,995	$ 79,250	$ 2,890	$ 371,612	$ 84,618
Cash and cash equivalents with fiscal agent	-	-	-	19	-	19	-
Restricted assets	17,219	26,747	13,696	275	-	57,937	-
Non-current							
Restricted assets	66,041	82,124	2,728	20,293	-	171,186	-
Totals	$200,952	$244,656	$ 52,419	$ 99,837	$ 2,890	$ 600,754	$ 84,618

(continued)

Lee County, Florida
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2016
(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
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES							
Increase in fair value of investments	$ -	$ 72	$ 16	$ 67	$ -	$ 155	$ 17
Purchase of capital assets on account	3,510	8,028	-	235	3,909	15,682	179
Contributions of capital assets	13	9,866	-	-	-	9,879	17
Loss on disposal of capital assets	(159)	(366)	(10)	(43)	(53)	(631)	(219)
Capital assets acquired through capital lease	1,649	400	-	-	-	2,049	-
Bond proceeds deposited directly to an irrevocable trust	-	-	-	68,859	-	68,859	-
Issuance cost paid directly from bond proceeds	-	-	-	99	-	99	-
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:							
Operating income (loss)	$ (8,337)	$ 8,218	$ 27,363	$ (7,075)	$ (24,280)	$ (4,111)	$ (10,047)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	22,550	42,465	7,686	14,541	3,862	91,104	3,187
Other revenues	2	402	956	1,436	20	2,816	350
(Increase) decrease in accounts receivable	(431)	(222)	-	529	-	(124)	782
(Increase) decrease in due from other funds	-	13	(7)	(12)	-	(6)	1
(Increase) decrease in due from other governments	20	-	87	-	43	150	(28)
(Increase) decrease in inventories	(5)	(959)	37	-	-	(927)	20
(Increase) decrease in other assets	126	(46)	22	5	11	118	215
Increase (decrease) in contracts and accounts payable	2,192	3,171	(74)	1,073	(3)	6,359	267
Increase in accrued liabilities	111	71	17	32	52	283	167
(Decrease) in refunds and rebates	(393)	-	-	-	-	(393)	-
Increase (decrease) in due to other funds	7	5	(2,044)	-	1	(2,031)	(9)
Increase in due to other governments	75	41	4	5	27	152	92
Increase in customer deposits	10	27	-	1	-	38	-
Increase in unearned revenues	599	124	81	-	-	804	-
Increase (decrease) in compensated absences	38	46	13	(4)	39	132	(24)
Increase in other postemployment benefits	3,074	2,180	727	620	1,711	8,312	340
Increase in net pension liability and related deferred outflows/inflows of resources	1,627	392	106	217	242	2,584	34
Increase in other liabilities	-	-	-	1,144	-	1,144	1,579
Total adjustments	29,602	47,710	7,611	19,587	6,005	110,515	6,973
Net cash provided by (used in) operating activities	$ 21,265	$ 55,928	$ 34,974	$ 12,512	$ (18,275)	$ 106,404	$ (3,074)

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, 2016
(amounts expressed in thousands)

	Other Postemployment Benefits Trust Fund	Agency Funds
ASSETS		
Cash, cash equivalents and investments	$ -	$ 40,455
Cash and cash equivalents with fiscal agent	15,996	-
Accounts receivable (net)	-	9
Due from other governments	-	504
Total Assets	15,996	40,968
LIABILITIES		
Contracts and accounts payable	-	85
Due to individuals	-	1,175
Due to other governments	-	19,038
Bonds and deposits	-	20,670
Total Liabilities	-	$ 40,968
NET POSITION		
Held in trust for other postemployment benefits	$ 15,996	

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, 2016
(amounts expressed in thousands)

	Other Postemployment Benefits Trust Fund
ADDITIONS	
Employer Contributions	$ -
Interest	2
Total additions	2
DEDUCTIONS	
Payments for retiree benefits	7,081
Total deductions	7,081
Change in net position	(7,079)
Net position - beginning of year	23,075
Net position - end of year	$ 15,996

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



This page is intentionally blank.

Notes to the Financial Statements



Lee County, Florida
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

Index to Notes to Basic Financial Statements

Accounts Receivable- Defined..... 56
Advances To/From Other Funds- Defined..... 56
Agency Funds Description..... 54
Arbitrage Rebate Payable..... 80
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity..... 54
Blended Component Unit..... 51
Bond Resolutions..... 75
Budgetary Information..... 54
Budgets and Budgetary Accounting..... 54
Capital Asset Activity..... 65
Capital Assets- Defined..... 56
Capital Lease Obligations- Defined..... 57
Capital Leases..... 71
Capitalized Interest..... 68
Cash, Cash Equivalents and Investments- Defined..... 54
Cash, Cash Equivalents and Investments..... 60
Change in Accounting Principle..... 98
Commitments and Contingencies..... 96
Compensated Absences- Defined..... 57
Compliance with Finance Related Legal and Contractual Provisions..... 60
Concentration of Credit Risk..... 64
Construction Commitments..... 68
Credit Risk..... 62
Custodial Credit Risk..... 63
Debt Refunding..... 76
Defeased Bonds..... 76
Deferred Inflows of Resources-Defined..... 58
Deferred Outflows of Resources-Defined..... 57
Defined Benefit Pension Plans..... 89
Defined Contribution Plan..... 94
Depreciation Expense..... 68
Detail Notes on All Funds..... 60
Difference Between Budgeted and Actual Results..... 59
Due From/Due To- Defined..... 56
Fair Value..... 62
Florida Retirement System Pension Plan (FRS Plan)..... 89
Fund Balances- Defined..... 58
General Fund Description..... 53
Governmental Fund Balances..... 70
Government-Wide and Fund Financial Statements- Description..... 51
Interest Rate Risk..... 64
Interfund Transactions- Advances To/From..... 69
Interfund Transactions- Due To/From..... 69
Interfund Transactions- Interfund Transfers..... 69
Internal Service Funds Description..... 53
Inventory- Defined..... 56
Landfill Closure & Postclosure Liability..... 96
Leases..... 71
Litigation..... 97
Long-term Obligations..... 71
Long-term Debt- Changes In..... 81
Measurement Focus, Basis of Accounting, and Financial Statement Presentation..... 52
Net Position- Defined..... 58
Non-major Governmental Funds Description..... 53
Non-major Enterprise Funds Description..... 53
Notes Payable..... 77
Notes Payable- Debt Service Requirements..... 80
Operating Leases..... 71
Other Obligations..... 80
Other Postemployment Benefits..... 86
Pensions- Defined..... 58
Port Authority Fund Description..... 53
Prepaid Items- Defined..... 56
Property Taxes..... 59
Receivables..... 64
Reporting Entity..... 51
Retiree Health Insurance Subsidy Program (HIS Plan)..... 92
Retirement Plans..... 89
Revenue Bonds..... 71
Revenue Bonds- Debt Service Requirements..... 75
Risk Management..... 95
Segment Information- Port Authority..... 84
Self-Insurance Claims Payable..... 80
Solid Waste Fund Description..... 53
Stewardship, Compliance, and Accountability..... 60
Subsequent Events..... 98
Summary of Significant Accounting Policies..... 51
Transportation Facilities Fund Description..... 53
Trust Fund Description..... 54
Unamortized Bond Premiums and Discounts- Defined..... 57
Unearned Revenues- Defined..... 57
Use of Estimates..... 54
Variable Debt..... 76
Variable Debt- Debt Service Requirements..... 77
Water & Wastewater Fund Description..... 53

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 the significance of the operational and financial relationships with the County.

Although it is a legally separate agency, financial support has been pledged and its financial and operational policies may be significantly influenced by the County. The Board of Port Commissioners is substantively the same governing body as the Board of County Commissioners. The Port Authority is accounted for as if it was a part of the County's operations and reported as a County 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.

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 fund 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.

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, impact fees for the Village of Estero, 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 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, Cash Equivalents, and Investments

The County considers cash, cash equivalents, 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.

The County reports all investments at fair value, with the exception of the State Board of Administration's ("SBA") Florida Local Government Surplus Trust Fund Investment Pool (Florida PRIME) which is reported at amortized cost and approximates fair value. The County also participates in the Florida Cooperative Liquid Assets Securities System (FLCLASS) investment pool and the Florida Local Government Investment Trust (FLGIT) which are measured at net asset value per share. The County categorizes its fair value measurements within the fair value hierarchy established in Governmental Accounting Standards Board Statement No. 72, "*Fair Value Measurements and Application*".

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

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

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

With regard to liquidity fees, Section 218.409(4), *Florida Statutes* provides authority for the SBA to

impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

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

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 write-off 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

During the course of operations, the County has activity between funds for various purposes. Any residual balances at year-end are reported as due from/to other funds. While these balances are reported in the fund financial statements, 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 reported within governmental and proprietary funds consisting of materials and supplies held for consumption are valued at cost using the first-in, first-out method (FIFO). These inventories are recorded as expenditures, or expenses, as they are used (consumption method). Such inventories reported within governmental funds are classified as non-spendable. Inventory held for resale consists of real estate holdings which the County intends to sell as part of a Neighborhood Stabilization grant program and are reported at the lower of cost or market. The inventory is classified as a restricted asset, which indicates it does not constitute available resources.

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, 2016, the County has one outstanding advance with payment terms of less than one year.

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.

Capital Lease Obligations

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

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 deferred outflows of resources reported in the County's Statement of Net Position represent pension related balances for changes in actuarial assumptions, the difference between expected and actual economic experience, the net difference between projected and actual earnings, changes in the proportion and differences between the County's contributions and proportionate share of contributions, and the County's contributions subsequent to the measurement date, relating to the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program. These

amounts will be recognized as increases in pension expense in future years. The County also reports a deferred outflow of resources for the losses 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 year-end are deferred until collected as they do not meet the availability criteria. The County currently has unavailable revenue for special assessments, grants, and accounts receivables. The deferred inflows of resources reported in the County's Statement of Net Position represents pension related balances for the difference between expected and actual economic experience, and changes in the proportion and differences between the County's contributions and proportionate share of contributions relating to the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program. These amounts will be recognized as reductions in pension expense in future years. Also included in deferred inflows of resources 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.

Pensions

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

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 $219,413,000 of governmental activities restricted net position, of which $198,738,000 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 does 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, repayment of an advance from another fund, and inventory adjustments are not budgeted.

The following adjustments were necessary to present actual data on a budgetary basis (Non-GAAP) for the fiscal year ended September 30, 2016 (dollars in thousands):

General Fund:	
Net change in fund balance (GAAP basis)	($4,987)
Basis Difference:	
EMS ambulance fees not reported on a cash basis	(1,316)
Fair market value adjustment	(68)
Advance not budgeted as transfer	28
Expenditures associated with inventory	743
Capital outlay for equipment purchased through capital lease	4,936
Capital lease proceeds	(4,936)
Net change in fund balance non-GAAP	($5,600)

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 2016 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, 2016.

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, Cash Equivalents and Investments

Investment Portfolio

As of September 30, 2016, the County had the following deposits, investments, and maturities (dollars in thousands):

Investment	Maturities	Fair Value	Call Date	Call Frequency	Rating
Cash on hand	N/A	$ 1,863			N/A
Cash with Fiscal Agent	N/A	50,042			N/A
Demand Deposits	N/A	212,505			N/A
Local Government Investment Pool					
FLCLASS	68 days	20,058			AAAm
SBA- Florida PRIME	50 days	399,067			AAAM
Florida Local Government Investment Trust		2,021			AAAm
Money Market Funds	N/A	10,018			AAAm
U.S. Treasury Note	10/31/2016	20,004			N/A
U.S. Treasury Note	11/30/2016	20,010			N/A
U.S. Treasury Note	11/30/2016	20,010			N/A
U.S. Treasury Note	2/28/2017	20,011			N/A
U.S. Treasury Note	4/30/2017	19,996			N/A
U.S. Treasury Note	5/31/2017	20,004			N/A
U.S. Treasury Note	7/31/2017	19,999			N/A
U.S. Treasury Note	11/30/2017	19,984			N/A
U.S. Treasury Note	7/15/2018	20,037			N/A
Federal Farm Credit	3/27/2017	19,958			AA+
Federal Farm Credit	10/20/2017	19,990	10/20/2016	Cont	AA+

(continued)

Cash, Cash Equivalents and Investments (continued)

Investment	Maturities	Fair Value	Call Date	Call Frequency	Rating
Federal Farm Credit	11/17/2017	20,033			AA+
Federal Farm Credit	3/26/2018	20,010			AA+
Federal Farm Credit	6/20/2018	19,994	12/20/2016	Cont	AA+
Federal Home Loan Bank	12/8/2017	20,091			AA+
Federal Home Loan Bank	2/16/2018	19,996	5/16/2016	QTR	AA+
Federal Home Loan Bank	5/10/2018	20,010	2/10/2017	QTR	AA+
Federal Home Loan Bank	8/8/2018	19,989	8/8/2017	1X	AA+
Federal Home Loan Bank	9/28/2018	14,990			AA+
Federal Home Loan Mortgage Corp.	6/23/2017	20,035	12/23/2015	1X	AA+
Federal Home Loan Mortgage Corp.	6/23/2017	20,009			AA+
Federal Home Loan Mortgage Corp.	7/14/2017	20,019			AA+
Federal Home Loan Mortgage Corp.	9/29/2017	20,062			AA+
Federal Home Loan Mortgage Corp.	1/12/2018	19,994			AA+
Federal Home Loan Mortgage Corp.	2/26/2018	20,002	1/26/2017	QTR	AA+
Federal National Mortgage Assoc.	4/20/2017	20,024			AA+
Federal National Mortgage Assoc.	8/28/2017	20,038			AA+
Federal National Mortgage Assoc.	8/28/2017	20,038			AA+
Federal National Mortgage Assoc.	9/27/2017	20,064			AA+
Federal National Mortgage Assoc.	10/26/2017	20,033			AA+
Federal National Mortgage Assoc.	7/26/2018	19,930	1/26/2017	1X	AA+
Total		$ 1,310,938			

Other Postemployment Benefits Trust Fund

As of September 30, 2016, 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	$ 15,996			AAAm

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

Primary Government:	
Cash, cash equivalents and investments	$ 818,055
Restricted cash, cash equivalents and investments	452,428
Agency Funds:	
Cash, cash equivalents and investments	40,455
Total	$ 1,310,938

Fair Value

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset.

Level 1 – Valuation is based on quoted prices for identical instruments traded in active markets. At September 30, 2016, the County held no such assets.

Level 2 – Valuation is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3 – Valuation is based on model-based techniques that use significant inputs and assumptions not observable in the market. These unobservable inputs and assumptions reflect the Reserve Banks' estimates of inputs and assumptions that market participants would use in pricing the assets and liabilities. Valuation techniques include the use of option pricing models, discounted cash flow models, and similar techniques. At September 30, 2016, the County held no such assets.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

The County invests in U.S. Treasury and Agency Securities which were valued using a matrix pricing model and determined to be Level 2 inputs.

The County has the following recurring fair value measurements as of September 30, 2016 (dollars in thousands):

Investments by fair value level (Level 2)	
Debt securities	
U.S. Treasury securities	$ 180,055
Agency securities	435,309
Total debt securities	615,364
Total Investments by fair value level	615,364
Investments measured at the net asset value (NAV)	
Local Govt Investment Pool (FLCLASS)	20,058
Local Government Investment Trust (FLGIT)	2,021
Money Market	10,018
Total investments measured at the NAV	$ 32,097

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.) Florida Local Government Surplus Funds Trust Fund.

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, 2016, 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, 2016:

Issuer	Percent of Portfolio
Federal Home Loan Bank	9.26%
Federal Home Loan Mortgage Corp	11.70%
Federal National Mortgage Association	11.70%
Federal Farm Credit Bank	9.74%
Total Federal Instrumentalities	42.40%

Receivables

At September 30, 2016, receivables for the County's major funds and all other funds in aggregate were as follows (dollars in thousands):

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Accounts	$ 72,622	$ 508	$ 73,130
Special assessments	-	4,081	4,081
Accrued interest	139	685	824
Less: allowance for bad debt	(67,412)	-	(67,412)
Total net receivables	$ 5,349	$ 5,274	$ 10,623

	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Accounts	$ 6,032	$ 11,209	$ -	$ 3,030	$ -	$ 20,271	$ 265
Grants	7,341	37	-	-	7,702	15,080	-
Special assessments	-	883	-	2,200	-	3,083	-
Accrued interest	-	195	35	16	5	251	77
Less: allowance for bad debt	(250)	(219)	-	(5)	-	(474)	-
Total net receivables	$ 13,123	$ 12,105	$ 35	$ 5,241	$ 7,707	$ 38,211	$ 342

Capital Assets

Capital asset activity for the fiscal year ended September 30, 2016, was as follows (dollars in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Artwork	$ 324	$ -	$ -	$ 324
Land	591,263	5,177	-	596,440
Construction in progress	17,047	15,099	(388)	31,758
Easements & Rights of Way	66,659	-	-	66,659
Software in progress	550	196	(265)	481
Total capital assets not being depreciated	675,843	20,472	(653)	695,662
Capital assets being depreciated:				
Buildings	594,761	1,603	(1,022)	595,342
Improvements other than buildings	225,066	2,438	(288)	227,216
Machinery and equipment	262,695	25,263	(11,676)	276,282
Software	15,556	981	-	16,537
Infrastructure	756,770	477	-	757,247
Total capital assets being depreciated	1,854,848	30,762	(12,986)	1,872,624
Less accumulated depreciation for:				
Buildings	164,800	12,845	(879)	176,766
Improvements other than buildings	94,030	14,212	(211)	108,031
Machinery and equipment	187,134	15,448	(10,763)	191,819
Software	13,645	689	-	14,334
Infrastructure	265,548	18,991	-	284,539
Total accumulated depreciation	725,157	62,185	(11,853)	775,489
Total capital assets being depreciated, net	1,129,691	(31,423)	(1,133)	1,097,135
Total governmental activities capital assets, net	$ 1,805,534	$ (10,951)	$ (1,786)	$ 1,792,797
Business-Type Activities:				
Capital assets not being depreciated:				
Artwork				
Port Authority	$ 293	$ -	$ -	$ 293
Total Artwork	293	-	-	293
Land				
Port Authority	132,659	-	-	132,659
Water and Wastewater	26,482	6	-	26,488
Transportation Facilities	30,367	-	-	30,367
Solid Waste	27,150	-	-	27,150
Other non-major - Transit	9,099	-	-	9,099
Total land	225,757	6	-	225,763
Software in progress				
Other non-major - Transit	-	689	-	689
Total software in progress	-	689	-	689

Capital Assets (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities (continued):				
Construction in progress				
Port Authority	30,964	34,460	(17,529)	47,895
Water and Wastewater	35,042	57,785	(23,941)	68,886
Transportation Facilities	-	39	-	39
Solid Waste	3,389	97	-	3,486
Other non-major - Transit	620	-	(32)	588
Total construction in progress	70,015	92,381	(41,502)	120,894
Easements & rights of way				
Port Authority	45	-	-	45
Water and Wastewater	5,208	166	-	5,374
Transportation Facilities	14,119	-	-	14,119
Total Easements and Rights of Way	19,372	166	-	19,538
Total capital assets not being depreciated	315,437	93,242	(41,502)	367,177
Capital assets being depreciated:				
Buildings				
Port Authority	348,979	-	-	348,979
Water and Wastewater	54,196	549	(54)	54,691
Transportation Facilities	11,185	-	-	11,185
Solid Waste	121,208	-	-	121,208
Other non-major - Transit	39,827	501	-	40,328
Total buildings	575,395	1,050	(54)	576,391
Improvements other than buildings				
Port Authority	22,867	716	(857)	22,726
Water and Wastewater	410,471	15,108	(248)	425,331
Transportation Facilities	5,045	-	-	5,045
Solid Waste	34,976	-	-	34,976
Other non-major - Transit	2,142	21	(17)	2,146
Total improvements other than buildings	475,501	15,845	(1,122)	490,224
Machinery and equipment				
Port Authority	55,057	19,098	(732)	73,423
Water and Wastewater	125,865	6,825	(1,440)	131,250
Transportation Facilities	5,648	175	(78)	5,745
Solid Waste	218,834	1,302	(745)	219,391
Other non-major - Transit	35,774	6,716	(844)	41,646
Total machinery and equipment	441,178	34,116	(3,839)	471,455
Software				
Port Authority	3,331	129	-	3,460
Transportation Facilities	482	-	-	482
Other non-major - Transit	334	-	-	334
Total software	4,147	129	-	4,276

Capital Assets (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities (continued):				
Infrastructure				
Port Authority	336,077	376	(414)	336,039
Water and Wastewater	365,785	12,056	(301)	377,540
Transportation Facilities	290,638	-	-	290,638
Solid Waste	30,239	-	-	30,239
Other non-major - Transit	-	136	-	136
Total infrastructure	1,022,739	12,568	(715)	1,034,592
Total capital assets being depreciated	2,518,960	63,708	(5,730)	2,576,938
Less accumulated depreciation for:				
Buildings				
Port Authority	77,421	7,002	-	84,423
Water and Wastewater	17,083	1,229	(44)	18,268
Transportation Facilities	5,610	253	-	5,863
Solid Waste	63,165	3,510	-	66,675
Other non-major - Transit	2,742	819	-	3,561
Total buildings	166,021	12,813	(44)	178,790
Improvements other than buildings				
Port Authority	13,505	1,425	(857)	14,073
Water and Wastewater	215,187	21,240	(177)	236,250
Transportation Facilities	3,129	212	-	3,341
Solid Waste	15,419	1,740	-	17,159
Other non-major - Transit	711	142	(13)	840
Total improvements other than buildings	247,951	24,759	(1,047)	271,663
Machinery and equipment				
Port Authority	28,157	5,105	(626)	32,636
Water and Wastewater	62,352	7,824	(1,327)	68,849
Transportation Facilities	4,243	205	(69)	4,379
Solid Waste	99,996	8,292	(693)	107,595
Other non-major - Transit	17,183	2,832	(795)	19,220
Total machinery and equipment	211,931	24,258	(3,510)	232,679
Software				
Port Authority	3,039	81	-	3,120
Transportation Facilities	383	97	-	480
Other non-major - Transit	265	67	-	332
Total software	3,687	245	-	3,932
Infrastructure				
Port Authority	131,955	8,937	(358)	140,534
Water and Wastewater	186,343	12,171	(127)	198,387
Transportation Facilities	100,444	6,920	-	107,364
Solid Waste	7,477	998	-	8,475
Other non-major - Transit	-	3	-	3
Total infrastructure	426,219	29,029	(485)	454,763
Total accumulated depreciation	1,055,809	91,104	(5,086)	1,141,827
Total capital assets being depreciated, net	1,463,151	(27,396)	(644)	1,435,111
Total business-type activities capital assets, net	$ 1,778,588	$ 65,846	$ (42,146)	$ 1,802,288

Capital Assets (continued)

Interest costs related to construction are capitalized. Net interest expense capitalized for the year ended September 30, 2016, was $ 3,195,000.

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

Governmental activities:		*Business-type activities:*	
General government	$ 16,485	Port Authority	$ 22,550
Public safety	7,055	Water and Wastewater	42,465
Physical environment	2,124	Transportation Facilities	7,686
Transportation	22,563	Solid Waste	14,541
Economic environment	318	Other non-major Transit	3,862
Human services	141	Total depreciation for business-type activities	$ 91,104
Culture and recreation	13,494		
Total depreciation for governmental activities	$ 62,180		

Note: Total depreciation expense by function may not agree with the related disclosed accumulated depreciation because of asset transfers. Asset transfers may occur between 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; therefore, the increase in accumulated depreciation can be different from the current year's depreciation.

Construction Commitments

The County has active construction projects as of September 30, 2016. The significant commitments for remaining contracts were as follows (dollars in thousands):

	Contract Amount	Amount Spent-to-date	Remaining Commitment	Retainage
Port Authority	$ 82,517	$ 68,056	$ 14,461	$ 2,126
Water and Wastewater	115,376	37,067	78,309	2,994
Solid Waste	1,313	237	1,076	-
Culture & recreation	35,125	30,538	4,587	-
Transportation	64,888	40,050	24,838	1,668
Other	4,517	2,744	1,773	227
Total	$ 303,736	$ 178,692	$ 125,044	$ 7,015

Interfund Transactions

Due To/From Other Funds

Interfund balances for the year ended September 30, 2016, consisted of the following (dollars in thousands):

	Due From							
	General Fund	Non-Major Gov't Funds	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Internal Service Funds	Total
Due To:								
General Fund	$ -	$ 1,074	$ 1	$ -	$ 152	$ -	$ 190	$ 1,417
Non-Major Governmental Funds	985	1,414	1	47	7	54	111	2,619
Port Authority	7		-		-	-		7
Water & Wastewater	-	-	-	-	24	-	14	38
Transportation Facilities	-	9,501	-	-	-	-	10	9,511
Solid Waste	-	-	-	-	-	-	5	5
Other Non-Major Transit	-	-	-	-	-	-	10	10
Internal Service Funds	-	3	-	-	-	-	7	10
	$ 992	$ 11,992	$ 2	$ 47	$ 183	$ 54	$ 347	$ 13,617

The majority of interfund balances as of September 30, 2016 are due to interfund billings for services and return of excess fees from the Constitutional Officers.

Advances To/Advances From Other Funds

Interfund advances for the year ended September 30, 2016, consisted of an advance to Port Authority from General Fund in the amount of $5,000 for a utility line construction loan. 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.

Interfund Transfers

Interfund transfers for the year ended September 30, 2016, consisted of the following (dollars in thousands):

	Transfers In					
	General Fund	Non-Major Gov't Funds	Solid Waste	Other Non-Major Transit	Internal Service Funds	Total
Transfers out:						
General Fund	$ -	$ 41,925	$ 141	$ 11,713	$ 2,000	$ 55,779
Non-Major Governmental Funds	2,482	57,847	-	712	-	61,041
Solid Waste	292	-	-	-	-	292
Transportation Facilities	-	11,191	-	-	-	11,191
	$ 2,774	$ 110,963	$ 141	$ 12,425	$ 2,000	$ 128,303

The majority of interfund transfers were for recurring annual transfers. There were two notable non-recurring transfers in 2016. The Tourist Development fund transferred $27,189,000 for repayment of the Red Sox internal loan and player development complex fields expenses. The General fund transferred $8,490,000 to Transportation Capital Improvement for funding County growth.

Governmental Fund Balances

At September 30, 2016, the County's governmental fund balances were classified as follows (dollars in thousands):

	General Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:			
Inventory	$ 287	$ 2,532	$ 2,819
Advances	5	-	5
Total nonspendable	292	2,532	2,824
Restricted For:			
Improvement districts	-	6,660	6,660
Culture & recreation	-	8,486	8,486
Economic development	1,562	17,330	18,892
Health, safety & welfare	-	24,894	24,894
Transportation roads	-	134,049	134,049
Debt service	-	21,333	21,333
Court programs	-	2,080	2,080
Public records	-	4,290	4,290
Inmate welfare	-	1,624	1,624
Driver's education	-	674	674
Law enforcement activities	-	2,236	2,236
Total restricted	1,562	223,656	225,218
Committed:			
MSTU	-	34,465	34,465
Capital improvements	-	145,971	145,971
Court programs	-	6,985	6,985
Culture & recreation	6	22,572	22,578
Health, safety & welfare	-	505	505
Total committed	6	210,498	210,504
Assigned to:			
Culture & recreation	-	27	27
Transportation roads	-	4,134	4,134
Economic incentives	1,320	-	1,320
Economic development	5,749	-	5,749
Total assigned	7,069	4,161	11,230
Unassigned:	123,980	-	123,980
Total fund balances	$ 132,909	$ 440,847	$ 573,756

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, 2016, were as follows (dollars in thousands):

Fiscal Year(s)	Amount
2017	$2,279
2018	1,537
2019	1,149
2020	620
2021	470
2022-2026	1,841
2027-2031	1,904
2032-2036	2,029
Total	$11,829

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, 2016 (dollars in thousands):

Minimum rentals	$2,351
Contingent rentals	48
Short-term leases	1,009
Total rent expense	$3,408

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.

Capital Leases

Capitalized leases payable at September 30, 2016 amounted to $7,907,000. These obligations, which are collateralized by equipment and vehicles, have total annual installments ranging from $14,000 to $567,000 including interest ranging from 1.99 percent to 3.65 percent and mature through 2025. As of year-end, equipment currently leased under capital leases in the governmental activities had a historical cost of $6,359,000 and accumulated depreciation of $293,000. Equipment currently leased under capital leases in the business-type activities had a historical cost of $2,416,000 and accumulated depreciation of $259,000.

Future minimum capital lease obligations as of September 30, 2016 were as follows (dollars in thousands):

Fiscal Year	Governmental Activities	Business-type Activities	Total
2017	$ 874	$ 549	$ 1,423
2018	874	549	1,423
2019	874	549	1,423
2020	650	470	1,120
2021	567	-	567
2022 - 2026	2,835	-	2,835
Total	$ 6,674	$ 2,117	$ 8,791
Less Interest:	(789)	(95)	(884)
Present Value:	$ 5,885	$ 2,022	$ 7,907

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, 2016, 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

3.61 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 were partially advanced refunded on June 24, 2015 with the Non-Advalorem Refunding Revenue Bond, Series 2015. The remaining bonds are payable through 2016. The outstanding balance was $2,390,000.

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 $2,450,000. Principal and interest paid for the current year, and pledged revenues collected were $2,275,000 and $121,454,000, 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 $790,000.

- 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 $370,000.

- 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 $239,933,000. The total principal and interest paid for the current year was $7,547,000. For the current year, pledged revenues collected were $41,288,000 and federal subsidies received to offset the interest expense were $1,769,000.

- 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 $38,535,000.

- Series 2015 Non-Ad Valorem Refunding Revenue Bonds for $48,640,000 at a interest rate of 5 percent (effective interest rate of 3.18 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 $48,640,000.

The total principal and interest remaining to be paid on the Non-Ad Valorem Bonds is $117,521,000. Principal and interest paid for the current year and pledged revenues collected were $7,582,000 and $122,602,000, respectively.

Business-Type Activities

- 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 $77,910,000.

- 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 $173,855,000.

- Series 2015 Airport Revenue Refunding Bonds, for $33,425,000 at interest rate of 5 percent (effective interest rate of 4.65 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 $33,425,000.

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 $440,805,000. Principal and interest paid for the current year and pledged revenues collected were $24,005,000 and $35,070,000, 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 $59,150,000.

- 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 $52,355,000.

- 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 $35,540,000.

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 $264,478,000. Principal and interest paid for the current year and net pledged revenues collected were $15,817,000 and $64,902,000, respectively.

- Series 2014 Transportation Facilities Refunding Revenue Bonds for $106,570,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 3.18 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 $103,735,000.

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 $150,159,000. Principal and interest paid for the current year and net pledged revenues collected were $8,784,000 and $37,098,000, respectively.

- Series 2016 Solid Waste System Refunding Revenue Bonds, for $66,160,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 2.05 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 $66,160,000.

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 $85,703,000. Principal and interest paid for the current year and net pledged revenues collected were $10,716,000 and $10,915,000, respectively.

The annual debt service requirements for revenue bonds at September 30, 2016, were as follows (dollars in thousands):

Fiscal Year(s)	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	$ 9,195	$ 10,711	$ 21,200	$ 29,646	$ 30,395	$ 40,357
2018	9,255	10,287	27,360	30,038	36,615	40,325
2019	3,580	9,975	29,645	28,721	33,225	38,696
2020	3,805	9,797	31,130	27,198	34,935	36,995
2021	4,045	9,606	32,785	25,625	36,830	35,231
2022-2026	63,870	40,917	191,870	100,893	255,740	141,810
2027-2031	34,150	25,710	177,415	50,160	211,565	75,870
2032-2036	26,240	19,044	95,830	14,493	122,070	33,537
2037-2041	34,733	10,258	12,950	4,038	47,683	14,296
2042-2044	23,210	1,516	9,425	723	32,635	2,239
Total	$ 212,083	$ 147,821	$ 629,610	$ 311,535	$ 841,693	$ 459,356

Fiscal Year(s)	Port Authority		Water and Wastewater		Transportation Facilities		Solid Waste	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2017	$ 9,750	$ 14,697	$ 7,465	$ 8,311	$ 3,985	$ 4,914	$ -	$ 1,724
2018	10,230	14,208	7,790	7,980	4,105	4,751	5,235	3,099
2019	10,725	13,667	8,130	7,629	5,295	4,516	5,495	2,909
2020	11,310	13,065	8,485	7,261	5,560	4,245	5,775	2,627
2021	11,930	12,471	8,945	6,863	5,835	3,960	6,075	2,331
2022-2026	70,950	52,178	51,305	27,089	34,230	14,978	35,385	6,648
2027-2031	93,470	30,147	49,875	13,155	25,875	6,653	8,195	205
2032-2036	66,825	5,182	10,155	6,904	18,850	2,407	-	-
2037-2041	-	-	12,950	4,038	-	-	-	-
2042-2044	-	-	9,425	723	-	-	-	-
Total	$ 285,190	$ 155,615	$ 174,525	$ 89,953	$ 103,735	$ 46,424	$ 66,160	$ 19,543

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, 2016, were maintained on all issues. The following issues are still outstanding:

Revenue Bonds
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
Non-Advalorem Refunding Revenue Bonds, Series 2015
Airport Revenue Refunding Bonds, Series 2010A
Airport Revenue Refunding Bonds, Series 2011A
Airport Revenue Refunding Bonds, Series 2015
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 Revenue Bonds, Series 2014
Solid Waste System Refunding Revenue Bonds, Series 2016

Debt Refunding

On September 14, 2016, the County issued Solid Waste System Refunding Revenue Bonds, Series 2016, in the amount of $66,160,000 at interest rates ranging from 2 percent to 5 percent maturing on October 1, 2026. Proceeds of the bonds were used to currently refund $76,345,000 of outstanding Solid Waste System Revenue Bonds, Series 2006A, at an interest rates ranging from 4.5 percent to 5.125 percent on current interest paying bonds maturing on October 1 in years 2016 through 2026.

The current refunding resulted in a reduction of future debt service payments by approximately $6,793,000 over the next 11 years and obtained an economic gain of $10,817,000.

On the date of issuance of the Series 2016 Bonds, the County purchased U.S. Government Securities which were placed in an irrevocable trust with an escrow agent to provide for payment in full of the redemption price of the refunded Series 2006A Bonds. As a result, the refunded Solid Waste System Revenue Bonds, Series 2006A is considered defeased as of September 14, 2016, and the liability has been removed from the financial statements.

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, 2016, consisted of the following (dollars in thousands):

Gulf Environmental Services, Inc. Water and Sewer System Revenue Bonds, Series 1998	$42,990
Capital Revenue Bonds, Series 2006	53,775
Solid Waste System Revenue Bonds, Series 2006A	76,345
Total	$173,110

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, 2016, 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, 2016, the interest rate was 2.1945 percent. The outstanding balance was $8,000.

- 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, 2016, the interest rate was 2.261 percent. The outstanding balance was $13,000.

- 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, 2016, the interest rate was 2.3009 percent. The outstanding balance was $9,000.

Principal and interest paid for the current year and pledged revenues collected were $28,000 and $26,000, respectively.

The County entered into a $3,700,000 line of credit on June 8, 2016 with a final maturity on June 7, 2018 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 162 basis points, but not less than 2.06 percent or greater than 4 percent. On September 30, 2016, the rate was 2.147 percent. Interest is payable monthly beginning July 1, 2016, on the unpaid balance until final maturity on June 7, 2016. Principal for all draws made against the line of credit is due on June 7, 2016. The line of credit is collateralized by special assessments levied against the benefited property owners of certain MSBUs. There was no outstanding balance as of September 30, 2016 or any draws taken in the current year. No principal or interest was paid in the current year.

The annual debt service requirements for variable debt at September 30, 2016, were as follows (dollars in thousands):

	Governmental Activities	
Fiscal Year(s)	Principal	Interest
2017	$ 27	$ 1
2018	3	-
	$ 30	$ 1

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, 2016, were as follows:

Commercial Banks

The County has entered into loan agreements with three 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 2017 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 $130,000.

- 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 $512,000.

- 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 $958,000.

- 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 $238,000.

- 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 $56,000.

- 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 $257,000.

- 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 $63,000.

- 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 $316,000.

- 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 $53,000.

- Cherry Estates district loan was issued on November 4, 2014, for $1,985,000 at an interest rate of 4.16 percent. The outstanding balance was $1,231,000.

The total principal and interest remaining to be paid out on the MSBU notes payable is $4,696,000. Principal and interest paid for the current year and pledged revenues collected were $562,000 and $694,000 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 $33,715,000.

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 $36,426,000. Principal and interest paid for the current year and pledged revenues collected were $1,685,000 and $122,602,000, 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 $8,505,000.

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 $8,740,000. Principal and interest paid for the current year and pledged revenues collected were $2,200,000 and $7,116,000, 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 was $10,710,000.

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 $10,897,000. Principal and interest paid for the current year and pledged revenues collected for the debt were $5,447,000 and $37,098,000, 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 $223,000.

- 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 $16,940,000.

- 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 $34,518,000 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 and $1,121,000 on October 15, 2011. On April 15, 2012 and thereafter the semiannual installments of $1,128,000 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 $26,171,000.

- On December 4, 2015, the Lee County Water and Wastewater System entered into an agreement with the Florida Department of Environmental Protection to borrow up to $28,800,000 for the Three Oaks Waste Water Treatment Plant Improvement construction projects. To date the County has not received any disbursements from this loan.

The total principal and interest remaining to be paid out on the Florida Department of Environmental Protection loans is $51,556,000. Principal and interest paid for the current year and pledged revenues collected were $4,425,000 and $38,571,000, respectively.

Florida Department of Transportation

- 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 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, 2016 is $601,000. The outstanding balance is $589,000. Principal and interest paid for the current year and pledged revenues collected were $1,407,000 and $8,668,000, respectively.

The annual debt service requirements for notes payable at September 30, 2016, were as follows (dollars in thousands):

	Governmental Activities		Business-type Activities		Total	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest
2017	$ 1,380	$ 850	$ 8,375	$ 1,274	$ 9,755	$ 2,124
2018	3,480	916	8,907	1,114	12,387	2,030
2019	10,162	781	2,996	977	13,158	1,758
2020	10,347	575	3,076	897	13,423	1,472
2021	10,537	365	3,159	814	13,696	1,179
2022-2026	9,776	303	17,110	2,755	26,886	3,058
2027-2031	352	38	11,010	590	11,362	628
	$ 46,034	$ 3,828	$ 54,633	$ 8,421	$ 100,667	$ 12,249

Other Obligations

Self-Insurance Claims Payable

Self-insurance claims payable are fully described in Note IX. 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, 2016, consisted of the following (dollars in thousands):

Self-insurance group health & dental	$ 6,172
Sheriff internal service fund	4,114
Self-insurance general liability	13,106
Total self-insurance claims payable	$23,392

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, 2016 is $266,000.

Changes in Long-Term Debt

Changes in bonded and other indebtedness of the County for the year ended September 30, 2016, were as follows (dollars in thousands):

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Revenue bonds	$ 219,158	$ -	$ (7,075)	$ 212,083	$ 9,195
Less/plus deferred amounts:					
Unamort discount/premium	14,137	-	(1,705)	12,432	-
Total bonds payable	233,295	-	(8,780)	224,515	9,195
Variable debt	57	-	(27)	30	27
Notes payable	49,449	-	(3,415)	46,034	1,380
Other:					
Self-insurance claims payable	21,813	92,043	(90,464)	23,392	12,740
Capital Lease	1,225	5,169	(509)	5,885	721
Case settlement	1,265	-	(615)	650	-
Other postemployment benefits	221,577	31,466	-	253,043	-
Net pension liability	171,088	152,494	(22,659)	300,923	2,412
Compensated absences	20,858	20,021	(19,326)	21,553	8,555
Total governmental activity long-term liabilities	$ 720,627	$ 301,193	$ (145,795)	$ 876,025	$ 35,030

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.

Business-Type Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Port Authority					
Bonds payable:					
Revenue bonds	$ 294,475	$ -	$ (9,285)	$ 285,190	$ 9,750
Less/plus deferred amounts:					
Unamort discount/premium	6,123	-	(477)	5,646	-
Total bonds payable	300,598	-	(9,762)	290,836	9,750
Capital Leases	-	1,649	(176)	1,473	357
Other postemployment benefits	23,792	3,074	-	26,866	-
Net pension liability	14,962	13,576	(1,707)	26,831	187
Compensated absences	1,467	2,683	(2,645)	1,505	1,148
Total Port Authority long-term liabilities	$ 340,819	$ 20,982	$ (14,290)	$ 347,511	$ 11,442

Changes in Long-Term Debt (continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Water and Wastewater					
Bonds payable:					
Revenue bonds	$ 181,720	$ -	$ (7,195)	$ 174,525	$ 7,465
Less/plus deferred amounts:					
Unamort discount/premium	14,093	-	(1,136)	12,957	-
Total bonds payable	195,813	-	(8,331)	187,482	7,465
Notes payable	46,537	-	(3,203)	43,334	3,065
Arbitrage rebate payable	178	88	-	266	-
Capital Lease	298	400	(149)	549	151
Other postemployment benefits	15,166	2,180	-	17,346	-
Net pension liability	8,524	5,765	(789)	13,500	149
Compensated absences	886	375	(329)	932	96
Total Water and Wastewater long-term liabilities	$ 267,402	$ 8,808	$ (12,801)	$ 263,409	$ 10,926
Transportation Facilities					
Bonds payable:					
Revenue bonds	$ 107,500	$ -	$ (3,765)	$ 103,735	$ 3,985
Less/plus deferred amounts:					
Unamort discount/premium	16,132	-	(1,708)	14,424	-
Total bonds payable	123,632	-	(5,473)	118,159	3,985
Notes payable	15,925	-	(5,215)	10,710	5,310
Other postemployment benefits	5,135	727	-	5,862	-
Net pension liability	2,555	1,422	(200)	3,777	58
Compensated absences	252	334	(321)	265	27
Total Transportation Facilities long-term liabilities	$ 147,499	$ 2,483	$ (11,209)	$ 138,773	$ 9,380
Solid Waste					
Bonds payable:					
Revenue bonds	$ 81,425	$ 66,160	$ (81,425)	$ 66,160	$ -
Less/plus deferred amounts:					
Unamort discount/premium	(32)	10,915	(49)	10,834	-
Total bonds payable	81,393	77,075	(81,474)	76,994	-
Landfill closure & postclosure costs	12,749	1,144	-	13,893	-
Other postemployment benefits	4,001	620	-	4,621	-
Net pension liability	2,933	2,081	(275)	4,739	54
Compensated absences	295	412	(416)	291	30
Total Solid Waste long-term liabilities	$ 101,371	$ 81,332	$ (82,165)	$ 100,538	$ 84

Changes in Long-Term Debt (continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Other Non-Major - Transit					
Notes Payable	$ 1,957	$ -	$ (1,368)	$ 589	$ -
Other postemployment benefits	12,682	1,711	-	14,393	-
Net pension liability	7,648	4,334	(619)	11,363	160
Compensated absences	509	942	(903)	548	56
Total Other Non-Major long-term liabilities	$ 22,796	$ 6,987	$ (2,890)	$ 26,893	$ 216
Total Business-Type Activities					
Bonds payable:					
Revenue bonds	$ 665,120	$ 66,160	$ (101,670)	$ 629,610	$ 21,200
Less/plus deferred amounts:					
Unamort discount/premium	36,316	10,915	(3,370)	43,861	-
Total bonds payable	701,436	77,075	(105,040)	673,471	21,200
Notes payable	64,419	-	(9,786)	54,633	8,375
Landfill closure & postclosure costs	12,749	1,144	-	13,893	-
Arbitrage rebate payable	178	88	-	266	-
Capital leases	298	2,049	(325)	2,022	508
Other postemployment benefits	60,776	8,312	-	69,088	-
Net pension liability	36,622	27,178	(3,590)	60,210	608
Compensated absences	3,409	4,746	(4,614)	3,541	1,357
Total business-type activity long-term liabilities	$ 879,887	$ 120,592	$ (123,355)	$ 877,124	$ 32,048

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, 2016.

	Southwest Florida International Airport
Condensed Statement of Net Position	
Assets	
Current assets	$ 87,482
Restricted assets	43,497
Capital assets (net)	633,576
Total assets	764,555
Deferred outflows of resources	
Unamortized pension costs	9,709
Loss on refunding	7,307
Total deferred outflows of resources	17,016
Liabilities	
Current liabilities	18,442
Current liabilities payable from restricted assets	17,219
Noncurrent liabilities	330,447
Total liabilities	366,108
Deferred inflows of resources	
Unamortized pension costs	540
Total deferred inflows of resources	540
Net position	
Net investment in capital assets	370,360
Restricted	10,808
Unrestricted	33,755
Total net position	$ 414,923
Condensed Statement of Revenues, Expenses, and Changes in Net Position	
Operating revenues	
User fees	$ 43,054
Rentals	3,197
Concessions	43,739
Miscellaneous	356
Less: Rebates	(3,534)
Total operating revenues	86,812
Operating expenses	
Depreciation	20,139
Other operating expenses	63,543
Total operating expenses	83,682
Operating income	3,130

Segment Information- Port Authority (continued)

	Southwest Florida International Airport
Non-operating revenues (expenses)	
Investment earnings	582
Interest expense	(15,017)
Other non-operating	398
Total non-operating revenues (expenses)	(14,037)
Loss before capital contributions	(10,907)
Capital contributions	23,744
Transfers	3,634
Change in net position	16,471
Beginning net position	398,452
Ending net position	$ 414,923

Condensed Statement of Cash Flows	
Net cash provided (used) by:	
Operating activities	$ 27,001
Noncapital financing activities	(3,733)
Capital and related financing activities	(26,904)
Investing activities	582
Net decrease	(3,054)
Beginning cash, cash equivalents and investments	123,826
Ending cash, cash equivalents and investments	$ 120,772

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. At October 1, 2016, the date of the latest actuarial valuation, plan participation consisted of 3,524 current active plan members, 823 retirees and 304 eligible dependents receiving postemployment health care benefits. 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 112.08, *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. At July 1, 2014, the date of the latest actuarial valuation, plan participation consisted of 1486 active members and 325 retirees. 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 112.08, *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. The table listed below summarizes the retirees' monthly contribution rates for 2016.

	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	180	780	451
Retiree plus spouse				
Pre 65 years old	788	N/A	1,575	N/A
Medicare Eligible	595	360	1,575	902
Retiree plus dependent				
Pre 65 years old	773	N/A	1,545	N/A
Medicare Eligible	580	360	1,545	902
Retiree plus family				
Pre 65 years old	795	N/A	1,590	N/A
Medicare Eligible (3) (spouse + one dep)	602	540	1,590	1,353
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 $7,081,000 were made from the trust fund for the employer's portion of the insurance premiums for the County and the LCSO in FY16. The balance in the trust fund on September 30, 2016, was $15,996,000.

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 29 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	$31,363,000	$21,342,000
Interest on net OPEB Obligation	7,837,000	4,856,000
Adjustment to ARC	(12,565,000)	(6,064,000)
Annual OPEB cost/expense	26,635,000	20,134,000
Employer contributions made	(1,892,000)	(5,099,000)
Increase, (decrease) in net OPEB obligation	24,743,000	15,035,000
Net OPEB obligation -beginning of year	160,945,000	121,408,000
Net OPEB obligation -end of year	$185,688,000	$136,443,000

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2016 and the two preceding years were as follows:

	Year Ended	Annual OPEB Cost	Percent of OPEB Cost Contributed	Net OPEB Obligation
GHPLC	09/30/2016	$26,635,000	7.1%	$185,688,000
	09/30/2015	$26,747,000	5.7%	$160,945,000
	09/30/2014	$24,821,000	0.0%	$135,721,000
LCSHCP	09/30/2016	$20,134,000	25.3%	$136,443,000
	09/30/2015	$19,586,000	21.1%	$121,408,000
	09/30/2014	$16,644,000	21.4%	$105,945,000

Funded Status and Funding Progress

The funded status of the plans was as follows:

	GHPLC As of 09/30/16	LCSHCP As of 09/30/16
Actuarial accrued liability (a)	$274,813,000	$230,659,000
Actuarial value of plan assets (b)	15,996,000	-
Unfunded actuarial accrued liability (funding excess) (a)-(b)	$258,817,000	$230,659,000
Funded ratio (b)/(a)	5.8%	0.0%
Covered payroll (c)	$165,182,000	$73,859,000
Unfunded actuarial accrued liability (funding excess) as a Percentage of covered payroll ((a)-(b))/(c)	156.7%	312.3%

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	10/01/2016	07/01/2014
Actuarial cost method	Entry Age	Entry Age
Amortization method	Level dollar, closed	Level percentage of pay, closed
Remaining amortization periods	20	21
Asset valuation method	Market-Value	Plan not funded
Actuarial assumptions:		
Inflation rate	2.5%	2.5%
Investment rate of return	County 5%, Port 4%	4%
Projected salary increases	n/a	3.7%-7.8%
Payroll growth assumptions	n/a	3.5%
Healthcare inflation rate	6.75%-8%, initial 5%, ultimate	7.5%, initial 4.58%, ultimate

NOTE VIII. RETIREMENT PLANS

Defined Benefit Pension Plans

Background

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

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

The County's pension expenses for both the FRS Pension Plan and HIS Plan for the year ended September 30, 2016 totaled $48,370,000.

Florida Retirement System Pension Plan (FRS Plan)

Plan Description

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

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the

FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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

Benefits Provided

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

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

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

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3 percent employee contributions on a pretax basis. The contribution rates attributable to the County, effective July 1, 2015, were applied to employee salaries as follows: regular employees 5.56 percent, county elected officials 40.57 percent, senior management 19.73 percent, and DROP participants 11.22 percent. The County's contributions to the FRS Plan were $26,777,000 for the year ended September 30, 2016.

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

At September 30, 2016, the County reported a liability of $263,144,000 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportion of the net pension liability was based on the County's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2015, through June 30, 2016, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2016, the County's proportion was 1.0422 percent, which was an increase of 0.0738 percent from its proportion measured as of June 30, 2015.

For the year ended September 30, 2016, the County recognized pension expense of $39,879,000 for its proportionate share of FRS's pension expense.

In addition, the County reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 20,148,000	$ 2,450,000
Changes in Actuarial Assumptions	15,919,000	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	68,020,000	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	10,830,000	8,115,000
County Contributions Subsequent to the Measurement Date	7,335,000	-
Total	$ 122,252,000	$ 10,565,000

Deferred outflows of resources related to pensions included $7,335,000 resulting from contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ended September 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2017	$13,755,000
2018	13,755,000
2019	40,273,000
2020	28,873,000
2021	5,737,000
Thereafter	1,959,000

Actuarial Assumptions

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

Inflation	2.60 %, per year
Salary increases	3.25 %, average
Investment rate of return	7.60 %

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

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

and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric)	Standard Deviation
Cash	1.0%	3.0%	3.0%	1.7%
Fixed Income	18.0%	4.7%	4.6%	4.6%
Global Equity	53.0%	8.1%	6.8%	17.2%
Real Estate (property)	10.0%	6.4%	5.8%	12.0%
Private Equity	6.0%	11.5%	7.8%	30.0%
Strategic Investments	12.0%	6.1%	5.6%	11.1%
Totals	100%			
Assumed Inflation - Mean			2.6%	1.9%

Discount Rate

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

Pension Liability Sensitivity

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

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	6.60%	7.60%	8.60%
County's Proportionate Share of the FRS Plan Net Pension Liability	$ 484,466,000	$ 263,144,000	$ 78,923,000

Pension Plan Fiduciary Net Position

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

Retiree Health Insurance Subsidy Program (HIS Plan)

Plan Description

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

Benefits Provided

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

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS

members. For the fiscal year ended June 30, 2016, the contribution rate was 1.66 percent of payroll pursuant to section 112.363, Florida Statues. The County contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The County's contributions to the HIS Plan were $4,363,000 for the year ended September 30, 2016.

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

At September 30, 2016, the County reported a liability of $97,989,000 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportion of the net pension liability was based on the County's contributions received during the measurement period for employer payroll paid dates from July 1, 2015, through June 30, 2016, relative to the total employer contributions received from all participating employers. At June 30, 2016, the County's proportion was 0.8408 percent, which was an increase of 0.0305 percent from its proportion measured as of June 30, 2015.

For the year ended September 30, 2016, the County recognized pension expense of $8,491,000 for its proportionate share of HIS's pension expense. In addition, the County reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ -	$ 223,000
Changes in Actuarial Assumptions	15,377,000	-
Net Difference Between Projected and Actual Earnings on HIS Program Investments	50,000	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	2,932,000	666,000
County Contributions Subsequent to the Measurement Date	1,083,000	-
Total	$ 19,442,000	$ 889,000

Deferred outflows of resources related to pensions included $1,083,000 resulting from contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ended September 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2017	$3,072,000
2018	3,072,000
2019	3,063,000
2020	3,058,000
2021	2,733,000
Thereafter	2,472,000

Actuarial Assumptions

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

Inflation	2.60 %, per year
Salary increases	3.25 %, avg with inflation
Municipal Bond Rate	2.85 %

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

Discount Rate

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

Pension Liability Sensitivity

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

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	1.85%	2.85%	3.85%
County's Proportionate Share of the HIS Plan Net Pension Liability	$ 112,415,000	$ 97,989,000	$ 86,015,000

Pension Plan Fiduciary Net Position

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

Defined Contribution Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is

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

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

The County's Investment Plan pension expense totaled $2,167,000 for the year ended September 30, 2016.

NOTE IX. OTHER INFORMATION

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 $23,200 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, 2016, 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, 2016 and 2015, 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:				
2016	$9,411	$87,748	($86,873)	$10,286
2015	8,536	82,584	(81,709)	9,411
Self-Insurance General Liability:				
2016	$12,402	$4,295	($3,591)	$13,106
2015	11,286	6,360	(5,244)	12,402

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, $13,893,000, represents the cumulative portion of total estimated closure and postclosure care as of September 30, 2016, based on the use of 36 percent of the capacity of the 99 acre active disposal areas at the landfill. The total estimated cost for closure and postclosure care for the landfill at September 30, 2016, was $37,487,000. The County will recognize the remaining estimated cost of closure and postclosure care of $23,594,000 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, 2016. The Class I - MSW landfill facility configuration, as currently planned, is expected to provide approximately 19 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, 2016, cash and investments of $11,063,000 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 corrections and 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, 2016:	$6,813,000

For the year ended September 30, 2016, the Sheriff paid $10,445,000 for inmate medical services and $2,817,000 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, 2016, are as follows:

	Amount
General Fund	$ 5,622,000
Other Governmental Funds	39,016,000

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.

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. The County intends on vigorously defending these claims.

Dean Wish, LLC served a Bert Harris Act complaint to Lee County in January 2017. The notice of claim in the amount of $14,865,300 is in connection with Lee County's denial to approve the owner's application to administratively increase density of its property. The County intends to vigorously defend the claim.

An inverse condemnation claim was filed by Estero Group, LTD as a result of a denial of rezoning permit for dirt mining activities near residential developments. Discovery is continuing and Lee County intends on defending the action. The plaintiff alleges damages in the amount of $10.5 million. The case has been set on a non-jury trial docket beginning May 1, 2017.

An employment law case was filed by a former Economic Development employee alleging the County violated the First Amendment, RICP Act, Fair Labor Standards Act (FLSA), and Florida Public Whistleblower's Act, when the employee was terminated. Plaintiff alleged damages in the amount of $6 million. Lee County was granted summary judgment on all counts. Plaintiff has appealed the summary judgment to the eleventh Circuit Court of Appeal, which reversed summary judgment related to the FLSA and Whistleblower claims. Lee County has petitioned the court for an en banc rehearing, which is still pending before the Eleventh Circuit Court of Appeal.

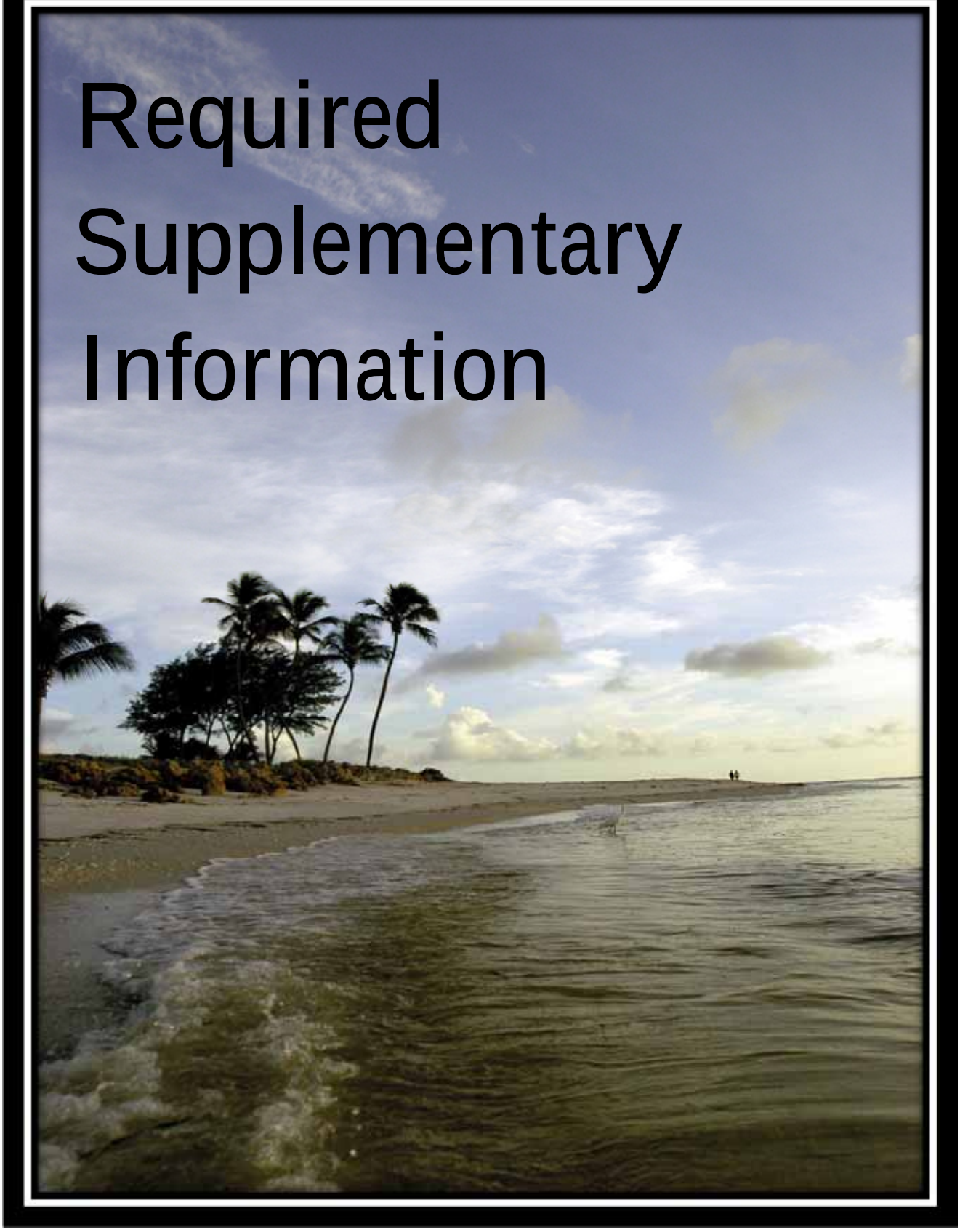
An employment law case was filed by three former Economic Development employees alleging the County violated the Age Discrimination in Employment Act, Americans with Disabilities Act, and the Florida Whistleblower Act when they were terminated. Lee County's motion for a summary judgment was granted on all accounts except the Florida Whistleblower's Act. A jury trial was held in March 2016 and the jury awarded Plaintiffs damages of $1.265 million. The Court entered an amended judgement of $650,000 on July 6, 2016. The County has appealed the final judgment to the Eleventh Circuit Court of Appeal where the case is currently pending. A liability has been recorded in the Self – Insurance General Liability fund at September 30, 2016.

On April 29, 2016 Lee County initiated condemnation against Nora B. Flint to condemn a parcel 201, a fee simple interest as part of the Homestead Road widening project. A stipulated order of taking was entered by the Court on July 21, 2016 and Lee County took title to the initial acquisition area. Due to the proximity of the acquisition area to Flint's home, a settlement agreement for the entire parcel was negotiated in the amount of $301,000, for the property, inclusive of all fees and costs. A liability has been recorded in the Road Impact Fee Construction fund at September 30, 2016.

Subsequent Events

On October 18, 2016, the Board approved a 15-year State Revolving Fund Loan in the amount of $17,637,000 to fund the Utilities Advanced Metering Information (AMI) System. Debt service payments are not anticipated to begin until fiscal year 2019.

Required Supplementary Information



Lee County, Florida

Required Supplementary Information

September 30, 2016

Other Postemployment Benefit Plans

(unaudited)

Group Health Program for Lee County Plan

Schedule of Funding Progress

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)
9/30/2016	$ 15,996,000	$ 274,813,000	$ 258,817,000	5.8%	$ 165,182,000	156.7%
9/30/2015	23,075,000	263,516,000	240,441,000	8.8%	156,819,000	153.3%
9/30/2014	27,707,000	269,193,000	241,487,000	10.2%	144,239,000	167.4%

Schedule of Employer Contributions

Year Ended	Annual Required Contributions	Percentage Contributed	Net OPEB Obligation
9/30/2016	$ 31,363,000	6.0%	$ 185,688,000
9/30/2015	30,407,000	5.0%	160,945,000
9/30/2014	27,577,000	0.0%	135,721,000

Lee County Sheriff Health Care Plan

Schedule of Funding Progress

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)
7/1/2014	$ -	$ 230,659,000	$ 230,659,000	0.0%	$ 73,859,000	312.3%
7/1/2012	-	176,268,000	176,268,000	0.0%	69,567,000	253.4%
7/1/2010	-	215,911,000	215,911,000	0.0%	75,694,000	285.2%

Schedule of Employer Contributions

Year Ended	Annual Required Contributions	Percentage Contributed	Net OPEB Obligation
9/30/2016	$ 21,342,000	23.9%	$ 136,444,000
9/30/2015	20,412,000	20.2%	121,408,000
9/30/2014	16,799,000	21.2%	105,945,000

Lee County, Florida
Required Supplementary Information
September 30, 2016

Florida Retirement System Pension Plan

Schedule of the County's Proportionate Share of the Net Pension Liability
Last 3 Fiscal Years*

	2014	2015	2016
County's Proportion of the Net Pension Liability	0.9638%	0.9683%	1.0422%
County's Proportionate Share of the Net Pension Liability	$ 58,806,000	$ 125,074,000	$ 263,144,000
County's Covered-Employee Payroll	$ 199,547,000	$ 204,548,000	$ 216,690,000
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	29.47%	61.15%	121.44%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	96.09%	92.00%	84.88%

*The amounts presented for each fiscal year were determined as of June 30.

Schedule of County Contributions
Last 3 Fiscal Years

	2014	2015	2016
Contractually Required Contribution	$ 22,247,000	$ 23,938,000	$ 26,777,000
Contributions in Relation to the Contractually Required Contribution	(22,247,000)	(23,938,000)	(26,777,000)
Contribution Deficiency (Excess)	$ -	$ -	$ -
Covered employee payroll	$ 200,627,000	$ 206,528,000	$ 218,803,000
Contributions as a percentage of covered employee payroll	11.09%	11.59%	12.24%

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

Lee County, Florida
Required Supplementary Information
September 30, 2016

Retiree Health Insurance Subsidy Program

Schedule of the County's Proportionate Share of the Net Pension Liability
Last 3 Fiscal Years*

	2014	2015	2016
County's Proportion of the Net Pension Liability	0.8101%	0.8103%	0.8408%
County's Proportionate Share of the Net Pension Liability	$ 75,745,000	$ 82,636,000	$ 97,989,000
County's Covered-Employee Payroll	$ 240,651,000	$ 246,054,000	$ 259,596,000
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	31.48%	33.58%	37.75%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	0.99%	0.50%	0.97%

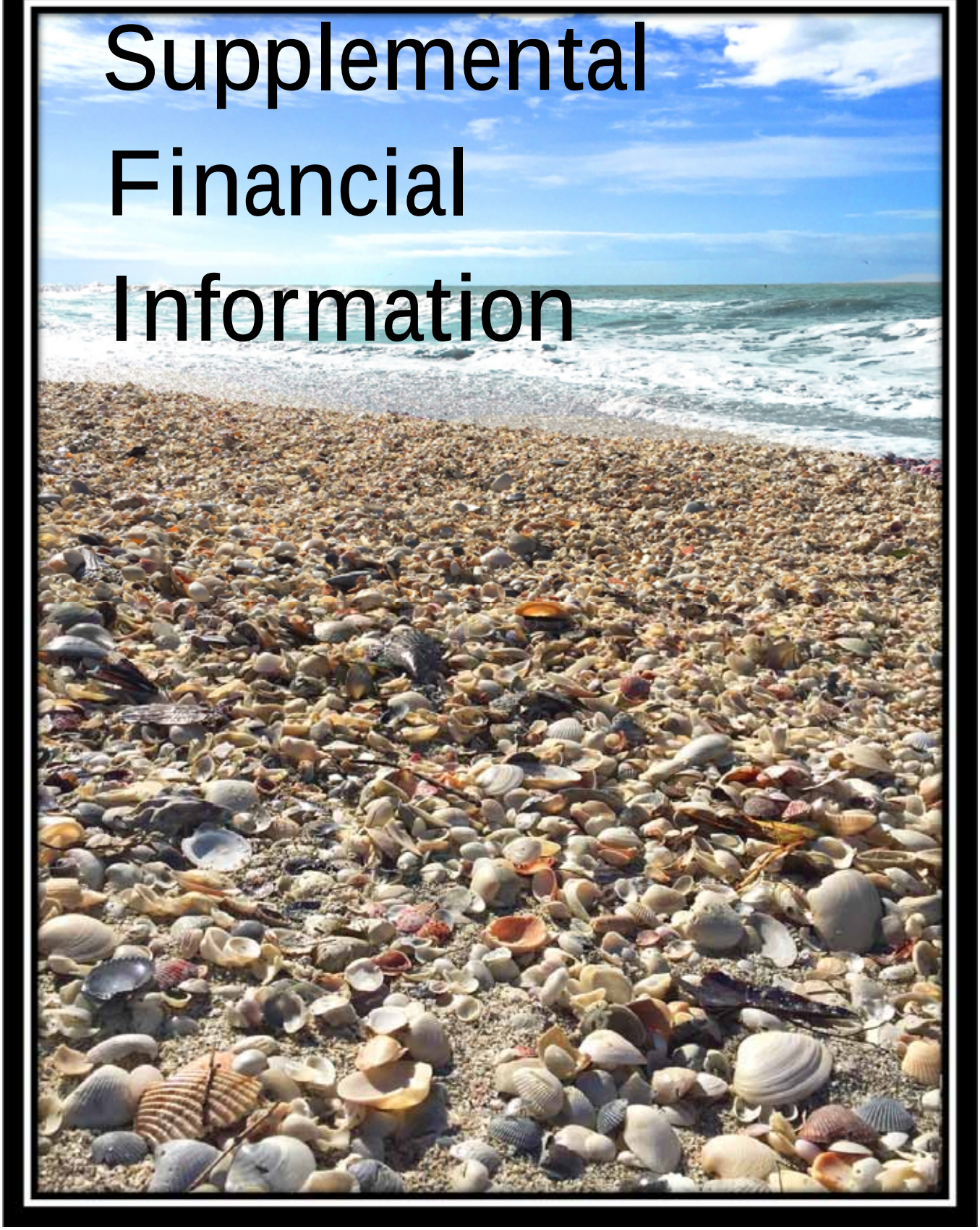
*The amounts presented for each fiscal year were determined as of June 30.

Schedule of County Contributions
Last 3 Fiscal Years

	2014	2015	2016
Contractually Required Contribution	$ 3,136,000	$ 3,375,000	$ 4,363,000
Contributions in Relation to the Contractually Required Contribution	(3,136,000)	(3,375,000)	(4,363,000)
Contribution Deficiency (Excess)	$ -	$ -	$ -
Covered employee payroll	$ 242,109,739	$ 248,446,914	$ 262,679,000
Contributions as a percentage of covered employee payroll	1.30%	1.36%	1.66%

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

Supplemental Financial Information





This page is intentionally blank.

General Fund



Lee County, Florida
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2016
(amounts expressed in thousands)

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff
ASSETS				
Cash, cash equivalents and investments	$ 118,764	$ 5,157	$ 1,192	$ 8,029
Receivables (net)				
Accounts	5,099	47	-	37
Accrued interest	139	-	-	-
Due from other funds	10,539	70	-	769
Due from other governments	4,984	6	-	-
Inventory	1,841	8	-	-
Advances	5	-	-	-
Other	-	-	-	-
Total assets	141,371	5,288	1,192	8,835
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	3,509	874	15	6,872
Accrued liabilities	1,668	126	451	1,763
Due to other funds	301	1,360	626	200
Due to other governments	2,790	267	100	-
Deposits and overbids	94	2,645	-	-
Unearned revenues	53	16	-	-
Other	47	-	-	-
Total liabilities	8,462	5,288	1,192	8,835
Fund Balances:				
Nonspendable	284	8	-	-
Restricted	1,562	-	-	-
Committed	6	-	-	-
Assigned	7,069	-	-	-
Unassigned	123,988	(8)	-	-
Total fund balances	132,909	-	-	-
Total liabilities and fund balances	$ 141,371	$ 5,288	$ 1,192	$ 8,835

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2016
(amounts expressed in thousands)

	Supervisor of Elections	Tax Collector	Eliminations	Total
ASSETS				
Cash, cash equivalents and investments	$ 285	$ 11,221	$ -	$ 144,648
Receivables (net)				
Accounts	-	27	-	5,210
Accrued interest	-	-	-	139
Due from other funds	66	3	(10,455)	992
Due from other governments	-	8	-	4,998
Inventory	-	-	-	1,849
Advances	-	-	-	5
Other	45	-	-	45
Total assets	396	11,259	(10,455)	157,886
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	134	188	-	11,592
Accrued liabilities	61	235	-	4,304
Due to other funds	35	9,350	(10,455)	1,417
Due to other governments	-	1,486	-	4,643
Deposits and overbids	-	-	-	2,739
Unearned revenues	166	-	-	235
Other	-	-	-	47
Total liabilities	396	11,259	(10,455)	24,977
Fund Balances:				
Nonspendable	-	-	-	292
Restricted	-	-	-	1,562
Committed	-	-	-	6
Assigned	-	-	-	7,069
Unassigned	-	-	-	123,980
Total fund balances	-	-	-	132,909
Total liabilities and fund balances	$ 396	$ 11,259	$ (10,455)	$ 157,886

See accompanying independent auditors' report.

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended September 30, 2016
(amounts expressed in thousands)

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff
REVENUES				
Taxes	$ 268,413	$ -	$ -	$ -
Licenses and permits	210	-	-	-
Intergovernmental	70,197	1,189	1,481	-
Charges for services	32,468	4,659	324	-
Fines and forfeitures	154	-	-	-
Miscellaneous	4,261	285	215	1,381
Total revenues	375,703	6,133	2,020	1,381
EXPENDITURES				
Current				
General government	59,788	12,813	8,967	8,925
Public safety	47,933	-	-	147,284
Physical environment	5,101	-	-	-
Transportation	83	-	-	-
Economic environment	5,658	-	-	-
Human services	13,861	-	-	-
Culture and recreation	16,389	-	-	-
Capital outlay				
General government	1,043	84	70	-
Public safety	922	-	-	11,776
Physical environment	77	-	-	-
Economic environment	4	-	-	-
Culture and recreation	525	-	-	-
Debt service				
Principal retirement	-	-	-	-
Total expenditures	151,384	12,897	9,037	167,985
Excess (deficiencies) of revenues over (under) expenditures	224,319	(6,764)	(7,017)	(166,604)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	13,053	7,998	7,642	161,868
Transfers out	(241,645)	(1,234)	(625)	(200)
Capital lease proceeds	-	-	-	4,936
Total other financing sources and (uses)	(228,592)	6,764	7,017	166,604
Net change in fund balances	(4,273)	-	-	-
Fund balances - beginning	137,182	-	-	-
Fund balances - ending	$ 132,909	$ -	$ -	$ -

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended September 30, 2016
(amounts expressed in thousands)

	Supervisor of Elections	Tax Collector	Eliminations	Total
REVENUES				
Taxes	$ -	$ -	$ -	$ 268,413
Licenses and permits	-	-	-	210
Intergovernmental	9	-	-	72,876
Charges for services	109	26,841	(14,775)	49,626
Fines and forfeitures	-	-	-	154
Miscellaneous	3	121	-	6,266
Total revenues	121	26,962	(14,775)	397,545
EXPENDITURES				
Current				
General government	8,373	17,916	(14,775)	102,007
Public safety	-	-	-	195,217
Physical environment	-	-	-	5,101
Transportation	-	-	-	83
Economic environment	-	-	-	5,658
Human services	-	-	-	13,861
Culture and recreation	-	-	-	16,389
Capital outlay				
General government	1,389	257	-	2,843
Public safety	-	-	-	12,698
Physical environment	-	-	-	77
Economic environment	-	-	-	4
Culture and recreation	-	-	-	525
Debt service				
Principal retirement	233	-	-	233
Total expenditures	9,995	18,173	(14,775)	354,696
Excess (deficiencies) of revenues over (under) expenditures	(9,874)	8,789	-	42,849
OTHER FINANCING SOURCES AND (USES)				
Transfers in	8,962	-	(196,749)	2,774
Transfers out	(35)	(8,789)	196,749	(55,779)
Capital lease proceeds	233	-	-	5,169
Total other financing sources and (uses)	9,160	(8,789)	-	(47,836)
Net change in fund balances	(714)	-	-	(4,987)
Fund balances - beginning	714	-	-	137,896
Fund balances - ending	$ -	$ -	$ -	$ 132,909

See accompanying independent auditor's report.

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, 2016
(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	$ 264,326	$ 268,413	$ -	$ -	$ -	$ -
Licenses and permits	150	210	-	-	-	-
Intergovernmental	73,486	70,197	900	1,189	1,268	1,168
Charges for services	30,356	31,152	4,451	4,659	-	-
Fines and forfeitures	157	154	-	-		-
Miscellaneous	4,016	4,193	242	285	-	215
Total revenues	372,491	374,319	5,593	6,133	1,268	1,383
EXPENDITURES						
Current						
General government	69,275	60,295	13,320	12,813	8,836	8,330
Public safety	48,675	47,905	-	-	-	-
Physical environment	8,941	5,101	-	-	-	-
Transportation	113	83	-	-	-	-
Economic environment	8,047	4,920	-	-	-	-
Human services	15,083	13,861	-	-	-	-
Culture and recreation	20,376	16,389	-	-	-	-
Capital outlay				-		
General government	38	1,043	141	84	70	70
Public safety	1,291	922	-	-	-	-
Physical environment	60	77	-	-	-	-
Economic environment	-	4	-	-	-	-
Culture and recreation	199	525	-	-	-	-
Debt service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	10	-	-	-	-	-
Total expenditures	172,108	151,125	13,461	12,897	8,906	8,400
Excess (deficiencies) of revenues over (under) expenditures	200,383	223,194	(7,868)	(6,764)	(7,638)	(7,017)
OTHER FINANCING SOURCES (USES)						
Transfers in	15,917	13,053	7,998	7,998	7,638	7,642
Transfers out	(241,553)	(241,133)	(130)	(1,234)	-	(625)
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources (uses)	(225,636)	(228,080)	7,868	6,764	7,638	7,017
Excess (deficiencies) of revenues and other financing sources over (under) expenditures and other financing uses	(25,253)	(4,886)	-	-	-	-
Fund balances - beginning	134,598	136,858	-	-	-	-
Fund balances - ending	$ 109,345	$ 131,972	$ -	$ -	$ -	$ -

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, 2016
(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	-	-	-	9	-	-
Charges for services	-	-	120	109	27,249	26,841
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	1,381	1,381	-	3	92	121
Total revenues	1,381	1,381	120	121	27,341	26,962
EXPENDITURES						
Current						
General government	8,925	8,925	8,376	8,373	18,716	17,916
Public safety	147,284	147,284	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	1,420	1,389	257	257
Public safety	6,840	6,840	-	-	-	-
Physical environment	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service						
Principal retirement	-	-	233	233	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	163,049	163,049	10,029	9,995	18,973	18,173
Excess (deficiencies) of revenues over (under) expenditures	(161,668)	(161,668)	(9,909)	(9,874)	8,368	8,789
OTHER FINANCING SOURCES (USES)						
Transfers in	161,868	161,868	8,962	8,962	-	-
Transfers out	(200)	(200)	-	(35)	(8,368)	(8,789)
Capital lease proceeds	-	-	233	233	-	-
Total other financing sources (uses)	161,668	161,668	9,195	9,160	(8,368)	(8,789)
Excess (deficiencies) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	(714)	(714)	-	-
Fund balances - beginning	-	-	714	714	-	-
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, 2016
(amounts expressed in thousands)

	Total		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	$ 264,326	$ 268,413	$ 4,087
Licenses and permits	150	210	60
Intergovernmental	75,654	72,563	(3,091)
Charges for services	62,176	62,761	585
Fines and forfeitures	157	154	(3)
Miscellaneous	5,731	6,198	467
Total revenues	408,194	410,299	2,105
EXPENDITURES			
Current			
General government	127,448	116,652	10,796
Public safety	195,959	195,189	770
Physical environment	8,941	5,101	3,840
Transportation	113	83	30
Economic environment	8,047	4,920	3,127
Human services	15,083	13,861	1,222
Culture and recreation	20,376	16,389	3,987
Capital outlay			
General government	1,926	2,843	(917)
Public safety	8,131	7,762	369
Physical environment	60	77	(17)
Economic environment	-	4	(4)
Culture and recreation	199	525	(326)
Debt service			
Principal retirement	233	233	-
Interest and fiscal charges	10	-	10
Total expenditures	386,526	363,639	22,887
Excess (deficiencies) of revenues over (under) expenditures	21,668	46,660	24,992
OTHER FINANCING SOURCES (USES)			
Transfers in	202,383	199,523	(2,860)
Transfers out	(250,251)	(252,016)	(1,765)
Capital lease proceeds	233	233	-
Total other financing sources (uses)	(47,635)	(52,260)	(4,625)
Excess (deficiencies) of revenues and other financing sources over (under) expenditures and other financing uses	(25,967)	(5,600)	20,367
Fund balances - beginning	135,312	137,572	2,260
Fund balances - ending	$ 109,345	$ 131,972	$ 22,627


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.

*Lee County Library- T*o account for ad valorem taxes and governmental grant funds designated to operate and maintain the County's public library system.

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.

MSTU- 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- 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.

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.

Special Revenue Funds (continued)

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.

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.

Debt Service Funds (continued)

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.

Non Ad-Valorem Revenue Bond – To account for payment of the 2012 and 2015 bonds. 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.

Capital Improvement- 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.

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 CenturyLink 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.

Capital Projects Funds (continued)

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.

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.

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	Municipal Service Benefit Unit Districts	Special Assessment Districts	Law Enforcement Trust	Special Revenue Projects
ASSETS				
Cash, cash equivalents and investments	$ 2,240	$ 3,865	$ 1,371	$ 5,144
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	-	1
Special assessments	-	4,081	-	-
Accrued interest	3	265	1	5
Due from other funds	23	2	569	198
Due from other governments	-	-	-	306
Inventory	-	-	-	-
Other	-	-	-	-
Total assets	2,266	8,213	1,941	5,654
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	11	13	-	344
Accrued liabilities	-	2	-	11
Due to other funds	9	-	403	4
Due to other governments	-	1	-	17
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	6
Total liabilities	20	16	403	382
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	4,335	-	-
Total deferred inflows of resources	-	4,335	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	2,246	3,862	1,538	5,163
Committed	-	-	-	109
Assigned	-	-	-	-
Total fund balances	2,246	3,862	1,538	5,272
Total liabilities, deferred inflows of resources, and fund balances	$ 2,266	$ 8,213	$ 1,941	$ 5,654

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	State Housing Incentives Partnership Program	Human Services Grants	Lee County Library	E 9-1-1
ASSETS				
Cash, cash equivalents and investments	$ 3,639	$ 233	$ 10,020	$ 11,268
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	16	-	-	-
Special assessments	-	-	-	-
Accrued interest	4	-	16	12
Due from other funds	-	-	260	3
Due from other governments	-	157	-	256
Inventory	-	-	-	-
Other	-	-	-	-
Total assets	3,659	390	10,296	11,539
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	111	35	210	1,576
Accrued liabilities	-	-	318	12
Due to other funds	38	124	30	1
Due to other governments	178	4	146	6
Deposits and overbids	-	-	-	-
Unearned revenues	-	15	474	-
Total liabilities	327	178	1,178	1,595
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	3,332	212	-	9,944
Committed	-	-	9,118	-
Assigned	-	-	-	-
Total fund balances	3,332	212	9,118	9,944
Total liabilities, deferred inflows of resources, and fund balances	$ 3,659	$ 390	$ 10,296	$ 11,539

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	MSTU	Tourist Development Trust Fund	Transportation Trust	All Hazards Protection
ASSETS				
Cash, cash equivalents and investments	$ 33,500	$ 17,723	$ 4,340	$ 5,032
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	54	37	98	-
Special assessments	-	-	-	-
Accrued interest	39	20	5	6
Due from other funds	471	6	1	20
Due from other governments	1,735	-	1,008	-
Inventory	39	-	2,493	-
Other	-	-	-	-
Total assets	35,838	17,786	7,945	5,058
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	429	226	656	60
Accrued liabilities	551	77	339	17
Due to other funds	26	112	16	12
Due to other governments	296	41	151	9
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	1,302	456	1,162	98
Deferred inflows of resources:				
Accounts receivable	32	-	85	-
Grants receivable	-	-	71	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	32	-	156	-
Fund Balances:				
Nonspendable	39	-	2,493	-
Restricted	-	17,330	-	4,960
Committed	34,465	-	-	-
Assigned	-	-	4,134	-
Total fund balances	34,504	17,330	6,627	4,960
Total liabilities, deferred inflows of resources, and fund balances	$ 35,838	$ 17,786	$ 7,945	$ 5,058

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	Impact Fees-Community Parks	Impact Fees-Regional Parks	Impact Fees-Roads	Impact Fees-EMS
ASSETS				
Cash, cash equivalents and investments	$ 4,271	$ 1,682	$ 11,837	$ 769
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	4	2	12	1
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Other	-	-	-	-
Total assets	4,275	1,684	11,849	770
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	-	-	-
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	-	-	-
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	4,275	1,684	11,849	770
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	4,275	1,684	11,849	770
Total liabilities, deferred inflows of resources, and fund balances	$ 4,275	$ 1,684	$ 11,849	$ 770

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	Animal Trust Fund	Court Administration	Clerk of Circuit Court's Special Revenue	Property Appraiser's Special Revenues
ASSETS				
Cash, cash equivalents and investments	$ 396	$ 3,751	$ 15,773	$ 28
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	3	4	-
Special assessments	-	-	-	-
Accrued interest	-	4	-	-
Due from other funds	1	418	4	-
Due from other governments	-	-	274	-
Inventory	-	-	-	-
Other	-	-	-	84
Total assets	397	4,176	16,055	112
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	1	271	108	-
Accrued liabilities	-	137	125	94
Due to other funds	-	9	439	18
Due to other governments	-	184	1,219	-
Deposits and overbids	-	-	4,384	-
Unearned revenues	-	-	-	-
Total liabilities	1	601	6,275	112
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	-	6,370	-
Committed	396	3,575	3,410	-
Assigned	-	-	-	-
Total fund balances	396	3,575	9,780	-
Total liabilities, deferred inflows of resources, and fund balances	$ 397	$ 4,176	$ 16,055	$ 112

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Special Revenue Funds	Debt Service Funds		
	Sheriff's Special Revenues	Local Option Gas Tax Loan	Tourist Development Tax Revenue Bonds	Capital Revenue Bonds
ASSETS				
Cash, cash equivalents and investments	$ 2,835	$ 1	$ 5,341	$ 1
Cash and cash equivalents with fiscal agent	-	-	4,404	2,450
Receivables (net)				
Accounts	265	-	-	-
Special assessments	-	-	-	-
Accrued interest	-	-	-	-
Due from other funds	448	-	1	-
Due from other governments	541	-	-	-
Inventory	-	-	-	-
Other	-	-	-	-
Total assets	4,089	1	9,746	2,451
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	140	-	-	-
Accrued liabilities	44	-	-	-
Due to other funds	1,316	-	6	1
Due to other governments	5	-	-	-
Deposits and overbids	-	-	-	-
Unearned revenues	262	-	-	-
Total liabilities	1,767	-	6	1
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	2,322	1	9,740	2,450
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	2,322	1	9,740	2,450
Total liabilities, deferred inflows of resources, and fund balances	$ 4,089	$ 1	$ 9,746	$ 2,451

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Debt Service Funds		Capital Projects Funds	
	Non-Ad Valorem Revenue Bonds	Non-Ad Valorem Loan	Capital Improvement	Special Assessment Districts Construction
ASSETS				
Cash, cash equivalents and investments	$ 3	$ 1	$ 148,297	$ 552
Cash and cash equivalents with fiscal agent	7,796	1,342	-	-
Receivables (net)				
Accounts	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	-	-	160	-
Due from other funds	-	-	67	-
Due from other governments	-	-	89	-
Inventory	-	-	-	-
Other	-	-	-	-
Total assets	7,799	1,343	148,613	552
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	-	1,229	-
Accrued liabilities	-	-	24	-
Due to other funds	-	-	-	-
Due to other governments	-	-	1,300	-
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	-	2,553	-
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	89	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	89	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	7,799	1,343	-	552
Committed	-	-	145,971	-
Assigned	-	-	-	-
Total fund balances	7,799	1,343	145,971	552
Total liabilities, deferred inflows of resources, and fund balances	$ 7,799	$ 1,343	$ 148,613	$ 552

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Capital Projects Funds		
	Transportation Capital Improvements	Human Services Grant Construction	Library Construction Projects
ASSETS			
Cash, cash equivalents and investments	$ 102,459	$ 41	$ 13,521
Cash and cash equivalents with fiscal agent	-	-	-
Receivables (net)			
Accounts	-	-	-
Special assessments	-	-	-
Accrued interest	98	-	13
Due from other funds	9,500	-	-
Due from other governments	4,493	4	-
Inventory	-	-	-
Other	-	-	-
Total assets	116,550	45	13,534
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Contracts and accounts payable	3,602	4	80
Accrued liabilities	-	-	-
Due to other funds	54	-	-
Due to other governments	-	-	-
Deposits and overbids	-	-	-
Unearned revenues	-	-	-
Total liabilities	3,656	4	80
Deferred inflows of resources:			
Accounts receivable	-	-	-
Grants receivable	1,182	-	-
Special assessment receivable	-	-	-
Total deferred inflows of resources	1,182	-	-
Fund Balances:			
Nonspendable	-	-	-
Restricted	111,712	41	-
Committed	-	-	13,454
Assigned	-	-	-
Total fund balances	111,712	41	13,454
Total liabilities, deferred inflows of resources, and fund balances	$ 116,550	$ 45	$ 13,534

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Capital Projects Funds		
	All Hazards Protection Construction Projects	Impact Fees Community Parks Construction	Impact Fees Regional Parks Construction
ASSETS			
Cash, cash equivalents and investments	$ 718	$ 2,111	$ 452
Cash and cash equivalents with fiscal agent	-	-	-
Receivables (net)			
Accounts	-	-	-
Special assessments	-	-	-
Accrued interest	1	2	-
Due from other funds	-	-	-
Due from other governments	-	-	-
Inventory	-	-	-
Other	-	-	-
Total assets	719	2,113	452
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Contracts and accounts payable	-	11	-
Accrued liabilities	-	-	-
Due to other funds	-	-	-
Due to other governments	-	-	-
Deposits and overbids	-	-	-
Unearned revenues	-	-	-
Total liabilities	-	11	-
Deferred inflows of resources:			
Accounts receivable	-	-	-
Grants receivable	-	-	-
Special assessment receivable	-	-	-
Total deferred inflows of resources	-	-	-
Fund Balances:			
Nonspendable	-	-	-
Restricted	719	2,075	452
Committed	-	-	-
Assigned	-	27	-
Total fund balances	719	2,102	452
Total liabilities, deferred inflows of resources, and fund balances	$ 719	$ 2,113	$ 452

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Capital Projects Funds		
	Impact Fees Road Construction	Impact Fees EMS Construction	Total Non-Major Governmental Funds
ASSETS			
Cash, cash equivalents and investments	$ 10,819	$ 437	$ 424,471
Cash and cash equivalents with fiscal agent	-	-	15,992
Receivables (net)			
Accounts	30	-	508
Special assessments	-	-	4,081
Accrued interest	12	-	685
Due from other funds	-	-	11,992
Due from other governments	-	-	8,863
Inventory	-	-	2,532
Other	-	-	84
Total assets	10,861	437	469,208
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Contracts and accounts payable	372	10	9,499
Accrued liabilities	-	-	1,751
Due to other funds	1	-	2,619
Due to other governments	-	-	3,557
Deposits and overbids	-	-	4,384
Unearned revenues	-	-	757
Total liabilities	373	10	22,567
Deferred inflows of resources:			
Accounts receivable	-	-	117
Grants receivable	-	-	1,342
Special assessment receivable	-	-	4,335
Total deferred inflows of resources	-	-	5,794
Fund Balances:			
Nonspendable	-	-	2,532
Restricted	10,488	427	223,656
Committed	-	-	210,498
Assigned	-	-	4,161
Total fund balances	10,488	427	440,847
Total liabilities, deferred inflows of resources, and fund balances	$ 10,861	$ 437	$ 469,208

See accompanying independent auditor's report.

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	Municipal Service Benefit Unit Districts	Special Assessment Districts	Law Enforcement Trust	Special Revenue Projects
REVENUES				
Taxes	$ 2,770	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	2,251
Charges for services	-	111	-	664
Fines and forfeitures	-	-	717	323
Impact fees	-	-	-	-
Special assessments	-	1,241	-	-
Miscellaneous	21	51	11	65
Total revenues	2,791	1,403	728	3,303
EXPENDITURES				
Current				
General government	83	383	-	215
Public safety	977	-	4	83
Physical environment	-	-	-	580
Transportation	1,779	322	-	-
Economic environment	-	-	-	-
Human services	-	-	-	2,168
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	5
Public safety	-	-	-	10
Physical environment	-	-	-	4
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	2,839	705	4	3,065
Excess (deficiencies) of revenue over (under) expenditures	(48)	698	724	238
OTHER FINANCING SOURCES AND (USES)				
Transfers in	22	5	-	-
Transfer out	(9)	(853)	(499)	-
Total other financing sources (uses)	13	(848)	(499)	-
Net change in fund balances	(35)	(150)	225	238
Fund balances - beginning	2,281	4,012	1,313	5,034
Fund balances - ending	$ 2,246	$ 3,862	$ 1,538	$ 5,272

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, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	State Housing Incentives Partnership Program	Human Services Grants	Lee County Library	E 9-1-1
REVENUES				
Taxes	$ -	$ -	$ 31,515	$ -
Licenses and permits	-	-	-	-
Intergovernmental	2,058	2,093	1,051	-
Charges for services	-	-	130	3,107
Fines and forfeitures	-	-	350	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	359	3	410	81
Total revenues	2,417	2,096	33,456	3,188
EXPENDITURES				
Current				
General government	-	-	848	-
Public safety	-	-	-	2,218
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	1,135	2,090	-	-
Human services	-	-	-	-
Culture and recreation	-	-	26,633	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	2,181
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	76	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,135	2,090	27,557	4,399
Excess (deficiencies) of revenue over (under) expenditures	1,282	6	5,899	(1,211)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	-	249	-
Transfer out	-	(135)	(5,472)	-
Total other financing sources (uses)	-	(135)	(5,223)	-
Net change in fund balances	1,282	(129)	676	(1,211)
Fund balances - beginning	2,050	341	8,442	11,155
Fund balances - ending	$ 3,332	$ 212	$ 9,118	$ 9,944

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, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	MSTU	Tourist Development Trust	Transportation Trust	All Hazards Protection
REVENUES				
Taxes	$ 29,160	$ 39,638	$ -	$ 2,432
Licenses and permits	8,518	-	82	-
Intergovernmental	726	500	9,431	11
Charges for services	9,701	1,000	918	6
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	60
Special assessments	-	-	-	-
Miscellaneous	649	2,128	996	40
Total revenues	48,754	43,266	11,427	2,549
EXPENDITURES				
Current				
General government	6,820	1,195	916	754
Public safety	8,505	-	-	1,629
Physical environment	4,712	-	-	-
Transportation	-	-	25,493	-
Economic environment	-	18,789	-	-
Human services	4,902	-	-	-
Culture and recreation	11,913	-	-	-
Capital outlay				
General government	560	-	6	-
Public safety	107	-	-	31
Physical environment	46	-	-	-
Transportation	-	-	373	-
Economic environment	-	103	-	-
Human services	3	-	-	-
Culture and recreation	47	-	-	-
Debt service				
Principal retirement	-	-	73	-
Interest and fiscal charges	-	22	10	-
Total expenditures	37,615	20,109	26,871	2,414
Excess (deficiencies) of revenue over (under) expenditures	11,139	23,157	(15,444)	135
OTHER FINANCING SOURCES AND (USES)				
Transfers in	1,888	3,691	16,000	19
Transfer out	(16,004)	(27,189)	-	-
Total other financing sources (uses)	(14,116)	(23,498)	16,000	19
Net change in fund balances	(2,977)	(341)	556	154
Fund balances - beginning	37,481	17,671	6,071	4,806
Fund balances - ending	$ 34,504	$ 17,330	$ 6,627	$ 4,960

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, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	Impact Fees-Community Parks	Impact Fees-Regional Parks	Impact Fees-Roads	Impact Fees-EMS
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	493	758	3,747	204
Special assessments	-	-	-	-
Miscellaneous	32	10	280	7
Total revenues	525	768	4,027	211
EXPENDITURES				
Current				
General government	14	-	2	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	14	-	2	-
Excess (deficiencies) of revenue over (under) expenditures	511	768	4,025	211
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	-	-	-
Transfer out	(1,500)	(125)	(150)	(500)
Total other financing sources (uses)	(1,500)	(125)	(150)	(500)
Net change in fund balances	(989)	643	3,875	(289)
Fund balances - beginning	5,264	1,041	7,974	1,059
Fund balances - ending	$ 4,275	$ 1,684	$ 11,849	$ 770

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, 2016
(amounts expressed in thousands)

	Special Revenue Funds			
	Animal Trust Fund	Court Administration	Clerk of Circuit Court's Special Revenue	Property Appraiser's Special Revenues
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	1,148	-
Charges for services	7	5,390	13,374	2
Fines and forfeitures	-	1	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	154	298	92	-
Total revenues	161	5,689	14,614	2
EXPENDITURES				
Current				
General government	-	14,748	13,840	1,564
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	124	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	318	154	6
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	2	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	126	15,066	13,994	1,570
Excess (deficiencies) of revenue over (under) expenditures	35	(9,377)	620	(1,568)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	4	8,860	-	1,582
Transfer out	-	-	-	(18)
Total other financing sources (uses)	4	8,860	-	1,564
Net change in fund balances	39	(517)	620	(4)
Fund balances - beginning	357	4,092	9,160	4
Fund balances - ending	$ 396	$ 3,575	$ 9,780	$ -

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, 2016
(amounts expressed in thousands)

	Special Revenue Funds	Debt Service Funds		
	Sheriff's Special Revenues	Local Option Gas Tax Loan	Capital Revenue Refunding Bank Note	Tourist Development Tax Revenue Bonds
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	5,004	-	-	-
Charges for services	4,792	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	208	6	-	20
Total revenues	10,004	6	-	20
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	9,535	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	512	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	2,055	-	1,035
Interest and fiscal charges	-	145	-	6,514
Total expenditures	10,047	2,200	-	7,549
Excess (deficiencies) of revenue over (under) expenditures	(43)	(2,194)	-	(7,529)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	394	2,194	-	11,127
Transfer out	-	-	(1)	(3,498)
Total other financing sources (uses)	394	2,194	(1)	7,629
Net change in fund balances	351	-	(1)	100
Fund balances - beginning	1,971	1	1	9,640
Fund balances - ending	$ 2,322	$ 1	$ -	$ 9,740

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, 2016
(amounts expressed in thousands)

	Debt Service Funds			
	Capital Revenue Bonds	Non-Ad Valorem Revenue Bonds	MSBU Projects Commercial Loan	Non-Ad Valorem Loan
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	7	22	-	4
Total revenues	7	22	-	4
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	2,275	3,765	417	970
Interest and fiscal charges	177	3,817	173	715
Total expenditures	2,452	7,582	590	1,685
Excess (deficiencies) of revenue over (under) expenditures	(2,445)	(7,560)	(590)	(1,681)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	2,503	9,928	553	1,691
Transfer out	-	-	-	-
Total other financing sources (uses)	2,503	9,928	553	1,691
Net change in fund balances	58	2,368	(37)	10
Fund balances - beginning	2,392	5,431	37	1,333
Fund balances - ending	$ 2,450	$ 7,799	$ -	$ 1,343

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, 2016
(amounts expressed in thousands)

	Capital Projects Funds			
	Capital Improvement	Special Assessment Districts Construction	Transportation Capital Improvements	Tourist Tax Revenue Bonds Construction
REVENUES				
Taxes	$ 25	$ -	$ 20,404	$ -
Licenses and permits	423	-	-	-
Intergovernmental	1,058	-	2,468	-
Charges for services	132	-	22	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	1,071	2	700	1
Total revenues	2,709	2	23,594	1
EXPENDITURES				
Current				
General government	30	-	2	-
Public safety	-	-	-	-
Physical environment	377	-	-	-
Transportation	-	-	6,261	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	8,285	-	-	-
Capital outlay				
General government	340	-	-	-
Public safety	-	-	-	-
Physical environment	602	-	-	-
Transportation	174	-	14,823	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	1,183	-	-	1
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	10,991	-	21,086	1
Excess (deficiencies) of revenue over (under) expenditures	(8,282)	2	2,508	-
OTHER FINANCING SOURCES AND (USES)				
Transfers in	20,666	300	21,540	-
Transfer out	(2,181)	-	(2,906)	(1)
Total other financing sources (uses)	18,485	300	18,634	(1)
Net change in fund balances	10,203	302	21,142	(1)
Fund balances - beginning	135,768	250	90,570	1
Fund balances - ending	$ 145,971	$ 552	$ 111,712	$ -

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, 2016
(amounts expressed in thousands)

	Capital Projects Funds			
	Human Services Grant Construction	Library Construction Projects	All Hazards Protection Construction Projects	Impact Fees Community Parks Construction
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	338	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	-	73	6	13
Total revenues	338	73	6	13
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	89	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	338	-	-	-
Human services	-	-	-	-
Culture and recreation	-	381	-	395
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	338	381	89	395
Excess (deficiencies) of revenue over (under) expenditures	-	(308)	(83)	(382)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	5,472	-	1,500
Transfer out	-	-	-	-
Total other financing sources (uses)	-	5,472	-	1,500
Net change in fund balances	-	5,164	(83)	1,118
Fund balances - beginning	41	8,290	802	984
Fund balances - ending	$ 41	$ 13,454	$ 719	$ 2,102

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, 2016
(amounts expressed in thousands)

	Capital Projects Funds			
	Impact Fees Regional Parks Construction	Impact Fees Road Construction	Impact Fees EMS Construction	Total Non-Major Governmental Funds
REVENUES				
Taxes	$ -	$ -	$ -	$ 125,944
Licenses and permits	-	-	-	9,023
Intergovernmental	-	-	-	28,137
Charges for services	-	-	-	39,356
Fines and forfeitures	-	-	-	1,391
Impact fees	-	-	-	5,262
Special assessments	-	-	-	1,241
Miscellaneous	2	110	1	7,933
Total revenues	2	110	1	218,287
EXPENDITURES				
Current				
General government	-	-	-	41,414
Public safety	-	-	-	22,951
Physical environment	-	-	-	5,669
Transportation	-	-	-	33,855
Economic environment	-	-	-	22,014
Human services	-	-	-	7,194
Culture and recreation	-	-	-	46,831
Capital outlay				
General government	-	-	85	1,563
Public safety	-	-	-	2,841
Physical environment	-	-	-	652
Transportation	-	2,031	-	17,401
Economic environment	-	-	-	441
Human services	-	-	-	5
Culture and recreation	89	-	-	2,172
Debt service				
Principal retirement	-	-	-	10,590
Interest and fiscal charges	-	-	-	11,573
Total expenditures	89	2,031	85	227,166
Excess (deficiencies) of revenue over (under) expenditures	(87)	(1,921)	(84)	(8,879)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	125	150	500	110,963
Transfer out	-	-	-	(61,041)
Total other financing sources (uses)	125	150	500	49,922
Net change in fund balances	38	(1,771)	416	41,043
Fund balances - beginning	414	12,259	11	399,804
Fund balances - ending	$ 452	$ 10,488	$ 427	$ 440,847

See accompanying independent auditor's report.

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, 2016

(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	$ 2,716	$ 2,770	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	119	111	-	-
Fines and forfeitures	-	-	-	-	154	717
Impact fees	-	-	-	-	-	-
Special assessments	-	-	1,081	1,245	-	-
Miscellaneous	4	20	5	55	2	9
Total revenues	2,720	2,790	1,205	1,411	156	726
EXPENDITURES						
Current						
General government	86	83	593	383	-	-
Public safety	977	977	-	-	4	4
Physical environment	-	-	-	-	-	-
Transportation	2,464	1,779	524	322	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	3,527	2,839	1,117	705	4	4
Excess (deficiencies) of revenues over (under) expenditures	(807)	(49)	88	706	152	722
OTHER FINANCING SOURCES (USES)						
Transfers in	6	22	161	163	-	-
Transfers out	(9)	(9)	(1,112)	(1,011)	(499)	(499)
Total other financing sources (uses)	(3)	13	(951)	(848)	(499)	(499)
Net change in fund balances	(810)	(36)	(863)	(142)	(347)	223
Fund balances - beginning	2,281	2,184	3,990	5,078	1,313	1,312
Fund balances - ending	$ 1,471	$ 2,148	$ 3,127	$ 4,936	$ 966	$ 1,535

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, 2016

(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	3,517	2,251	1,801	2,058	4,950	2,093
Charges for services	640	664	-	-	-	-
Fines and forfeitures	335	323	-	-	-	-
Impact fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Miscellaneous	51	63	14	356	2	3
Total revenues	4,543	3,301	1,815	2,414	4,952	2,096
EXPENDITURES						
Current						
General government	365	215	-	-	-	-
Public safety	59	83	-	-	-	-
Physical environment	628	580	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	3,620	1,135	4,735	2,090
Human services	3,543	2,168	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	1,175	5	-	-	-	-
Public safety	39	10	-	-	-	-
Physical environment	-	4	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	108	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	5,809	3,065	3,620	1,135	4,843	2,090
Excess (deficiencies) of revenues over (under) expenditures	(1,266)	236	(1,805)	1,279	109	6
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(135)	(135)
Total other financing sources (uses)	-	-	-	-	(135)	(135)
Net change in fund balances	(1,266)	236	(1,805)	1,279	(26)	(129)
Fund balances - beginning	5,034	132,204	2,050	(3,154)	356	340
Fund balances - ending	$ 3,768	$ 132,440	$ 245	$ (1,875)	$ 330	$ 211

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, 2016

(amounts expressed in thousands)

	Non - GAAP Lee County Library		Non - GAAP E 9 - 1 - 1		Non - GAAP MSTU	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ 31,017	$ 31,515	$ -	$ -	$ 28,471	$ 29,160
Licenses and permits	-	-	-	-	6,770	8,520
Intergovernmental	712	1,051	-	-	856	726
Charges for services	114	130	2,952	3,107	8,366	9,701
Fines and forfeitures	556	350	-	-	-	-
Impact fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Miscellaneous	392	407	25	76	468	639
Total revenues	32,791	33,453	2,977	3,183	44,931	48,746
EXPENDITURES						
Current						
General government	1,013	848	700	-	8,493	6,820
Public safety	-	-	3,059	2,218	9,162	8,505
Physical environment	-	-	-	-	5,214	4,715
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	5,101	4,902
Culture and recreation	29,375	26,633	-	-	12,082	11,913
Capital outlay						
General government	-	-	-	-	1,555	560
Public safety	-	-	1,337	2,181	177	107
Physical environment	-	-	-	-	-	46
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	3
Culture and recreation	410	76	-	-	-	47
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	30,798	27,557	5,096	4,399	41,784	37,618
Excess (deficiencies) of revenues over (under) expenditures	1,993	5,896	(2,119)	(1,216)	3,147	11,128
OTHER FINANCING SOURCES (USES)						
Transfers in	-	249	-	-	5,048	5,038
Transfers out	(5,472)	(5,472)	-	-	(19,774)	(19,154)
Total other financing sources (uses)	(5,472)	(5,223)	-	-	(14,726)	(14,116)
Net change in fund balances	(3,479)	673	(2,119)	(1,216)	(11,579)	(2,988)
Fund balances - beginning	9,255	8,572	11,155	11,156	37,475	37,719
Fund balances - ending	$ 5,776	$ 9,245	$ 9,036	$ 9,940	$ 25,896	$ 34,731

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, 2016

(amounts expressed in thousands)

	Non - GAAP Tourist Development Trust Fund		Non - GAAP Transportation Trust		Non - GAAP All Hazards Protection	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ 38,941	$ 39,638	$ -	$ -	$ 2,415	$ 2,432
Licenses and permits	-	-	48	82	-	-
Intergovernmental	510	500	8,630	9,375	107	11
Charges for services	1,000	1,000	778	916	6	6
Fines and forfeitures	-	-	-	-	-	-
Impact fees	-	-	-	-	-	60
Special assessments	-	-	-	-	-	-
Miscellaneous	2,000	2,122	686	1,016	35	37
Total revenues	42,451	43,260	10,142	11,389	2,563	2,546
EXPENDITURES						
Current						
General government	1,012	1,195	1,085	916	782	754
Public safety	-	-	-	-	1,852	1,629
Physical environment	-	-	-	-	-	-
Transportation	-	-	25,398	25,321	-	-
Economic environment	19,295	18,789	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	6	-	-
Public safety	-	-	-	-	35	31
Physical environment	-	-	-	-	-	-
Transportation	-	-	207	373	-	-
Economic environment	75	103	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	73	73	-	-
Interest and fiscal charges	10	22	10	10	-	-
Total expenditures	20,392	20,109	26,773	26,699	2,669	2,414
Excess (deficiencies) of revenues over (under) expenditures	22,059	23,151	(16,631)	(15,310)	(106)	132
OTHER FINANCING SOURCES (USES)						
Transfers in	3,814	3,691	16,000	16,000	19	19
Transfers out	(30,053)	(27,189)	-	-	-	-
Total other financing sources (uses)	(26,239)	(23,498)	16,000	16,000	19	19
Net change in fund balances	(4,180)	(347)	(631)	690	(87)	151
Fund balances - beginning	17,671	17,864	3,598	4,979	4,806	4,811
Fund balances - ending	$ 13,491	$ 17,517	$ 2,967	$ 5,669	$ 4,719	$ 4,962

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, 2016

(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	368	493	567	758	3,134	3,747
Special assessments	-	-	-	-	-	-
Miscellaneous	9	31	2	9	87	274
Total revenues	377	524	569	767	3,221	4,021
EXPENDITURES						
Current						
General government	21	14	1	-	3	2
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	21	14	1	-	3	2
Excess (deficiencies) of revenues over (under) expenditures	356	510	568	767	3,218	4,019
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(1,500)	(1,500)	(357)	(125)	(3,160)	(150)
Total other financing sources (uses)	(1,500)	(1,500)	(357)	(125)	(3,160)	(150)
Net change in fund balances	(1,144)	(990)	211	642	58	3,869
Fund balances - beginning	5,264	7,670	1,041	977	7,974	4,589
Fund balances - ending	$ 4,120	$ 6,680	$ 1,252	$ 1,619	$ 8,032	$ 8,458

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, 2016

(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	-	-	-	-	-	-
Charges for services	-	-	-	7	4,930	5,390
Fines and forfeitures	-	-	-	-	2	1
Impact fees	129	204	-	-	-	-
Special assessments	-	-	-	-	-	-
Miscellaneous	2	7	151	154	294	297
Total revenues	131	211	151	161	5,226	5,688
EXPENDITURES						
Current						
General government	2	-	-	-	15,935	14,748
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	204	124	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	358	318
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	2	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	2	-	204	126	16,293	15,066
Excess (deficiencies) of revenues over (under) expenditures	129	211	(53)	35	(11,067)	(9,378)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	4	4	9,215	8,915
Transfers out	(500)	(500)	-	-	(55)	(55)
Total other financing sources (uses)	(500)	(500)	4	4	9,160	8,860
Net change in fund balances	(371)	(289)	(49)	39	(1,907)	(518)
Fund balances - beginning	1,059	1,061	357	356	4,092	4,223
Fund balances - ending	$ 688	$ 772	$ 308	$ 395	$ 2,185	$ 3,705

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, 2016

(amounts expressed in thousands)

	Clerk of Circuit Court's Special Revenue		Total		
	Final Budget	Actual	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES					
Taxes	$ -	$ -	$ 103,560	$ 105,515	$ 1,955
Licenses and permits	-	-	6,818	8,602	1,784
Intergovernmental	1,132	1,148	22,215	19,213	(3,002)
Charges for services	13,059	13,374	31,964	34,406	2,442
Fines and forfeitures	-	-	1,047	1,391	344
Impact fees	-	-	4,198	5,262	1,064
Special assessments	-	-	1,081	1,245	164
Miscellaneous	46	92	4,275	5,667	1,392
Total revenues	14,237	14,614	175,158	181,301	6,143
EXPENDITURES					
Current					
General government	15,716	13,840	45,807	39,818	5,989
Public safety	-	-	15,113	13,416	1,697
Physical environment	-	-	5,842	5,295	547
Transportation	-	-	28,386	27,422	964
Economic environment	-	-	27,650	22,014	5,636
Human services	-	-	8,848	7,194	1,654
Culture and recreation	-	-	41,457	38,546	2,911
Capital outlay					
General government	216	154	3,304	1,043	2,261
Public safety	-	-	1,588	2,329	(741)
Physical environment	-	-	-	50	(50)
Transportation	-	-	207	373	(166)
Economic environment	-	-	183	103	80
Human services	-	-	-	5	(5)
Culture and recreation	-	-	410	123	287
Debt Service					
Principal retirement	-	-	73	73	-
Interest and fiscal charges	-	-	20	32	(12)
Total expenditures	15,932	13,994	178,888	157,836	21,052
Excess (deficiencies) of revenues over (under) expenditures	(1,695)	620	(3,730)	23,465	27,195
OTHER FINANCING SOURCES (USES)					
Transfers in		-	34,267	34,101	(166)
Transfers out		-	(62,626)	(55,799)	6,827
Total other financing sources (uses)	-	-	(28,359)	(21,698)	6,661
Net change in fund balances	(1,695)	620	(32,089)	1,767	33,856
Fund balances - beginning	1,695	9,160	120,466	251,101	130,635
Fund balances - ending	$ -	$ 9,780	$ 88,377	$ 252,868	$ 164,491

See accompanying independent auditors' report.

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, 2016

(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						
Miscellaneous	$ 1	$ 6	$ -	$ -	$ 15	$ 20
Total revenues	1	6	-	-	15	20
EXPENDITURES						
Debt Service						
Principal retirement	2,055	2,055	-	-	1,035	1,035
Interest and fiscal charges	145	145	-	-	6,515	6,514
Total expenditures	2,200	2,200	-	-	7,550	7,549
Excess (deficiencies) of revenues over (under) expenditures	(2,199)	(2,194)	-	-	(7,535)	(7,529)
OTHER FINANCING SOURCES (USES)						
Transfers in	2,199	2,194	1	-	13,791	13,681
Transfers out	-	-	(1)	-	(6,177)	(6,052)
Total other financing sources (uses)	2,199	2,194	-	-	7,614	7,629
Net change in fund balances	-	-	-	-	79	100
Fund balances - beginning	-	1	-	-	9,640	9,640
Fund balances - ending	$ -	$ 1	$ -	$ -	$ 9,719	$ 9,740

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, 2016

(amounts expressed in thousands)

	Non - GAAP Capital Revenue Bonds		Non - Ad Valorem Revenue Bonds		Non - GAAP MSBU Projects Commercial Loan	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Miscellaneous	$ 1	$ 7	$ 3	$ 22	$ -	$ -
Total revenues	1	7	3	22	-	-
EXPENDITURES						
Debt Service						
Principal retirement	2,275	2,275	3,765	3,765	417	417
Interest and fiscal charges	177	177	3,817	3,817	174	173
Total expenditures	2,452	2,452	7,582	7,582	591	590
Excess (deficiencies) of revenues over (under) expenditures	(2,451)	(2,445)	(7,579)	(7,560)	(591)	(590)
OTHER FINANCING SOURCES (USES)						
Transfers in	2,509	2,503	9,921	9,928	554	553
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	2,509	2,503	9,921	9,928	554	553
Net change in fund balances	58	58	2,342	2,368	(37)	(37)
Fund balances - beginning	2,392	3,166	5,431	5,431	37	99
Fund balances - ending	$ 2,450	$ 3,224	$ 7,773	$ 7,799	$ -	$ 62

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, 2016

(amounts expressed in thousands)

	Non - Ad Valorem Loan		Total		
	Final Budget	Actual	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES					
Miscellaneous	$ -	$ 4	$ 20	$ 59	$ 39
Total revenues	-	4	20	59	39
EXPENDITURES					
Debt Service					
Principal retirement	970	970	10,517	10,517	-
Interest and fiscal charges	715	715	11,543	11,541	2
Total expenditures	1,685	1,685	22,060	22,058	2
Excess (deficiencies) of revenues over (under) expenditures	(1,685)	(1,681)	(22,040)	(21,999)	41
OTHER FINANCING SOURCES (USES)					
Transfers in	1,704	1,691	30,679	30,550	(129)
Transfers out	-	-	(6,178)	(6,052)	126
Total other financing sources (uses)	1,704	1,691	24,501	24,498	(3)
Net change in fund balances	19	10	2,461	2,499	38
Fund balances - beginning	1,333	1,333	18,833	19,670	837
Fund balances - ending	$ 1,352	$ 1,343	$ 21,294	$ 22,169	$ 875

See accompanying independent auditors' report.

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, 2016

(amounts expressed in thousands)

	Non-GAAP Capital Improvement		Special Assessment Districts Construction		Non - GAAP Transportation Capital Improvements	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ 25	$ -	$ -	$ 18,430	$ 20,404
Licenses and permits	305	423	-	-	-	-
Intergovernmental	2,872	758	-	-	6,058	3,649
Charges for services	102	132	-	-	-	22
Miscellaneous	269	1,017	-	2	119	657
Total revenues	3,548	2,355	-	2	24,607	24,732
EXPENDITURES						
Current						
General government	4,076	4,080	-	-	-	2
Physical environment	5,530	377	-	-	-	-
Transportation	-	-	-	-	10,921	6,261
Culture and recreation	18,826	8,285	-	-	130	-
Capital Outlay						
General government	3,813	340	550	-	-	-
Physical environment	9,188	602	-	-	-	-
Transportation	2,080	174	-	-	75,114	14,823
Economic environment	-	-	-	-	-	-
Culture and recreation	9,606	1,183	-	-	-	-
Total expenditures	53,119	15,041	550	-	86,165	21,086
Excess (deficiencies) of revenues over (under) expenditures	(49,571)	(12,686)	(550)	2	(61,558)	3,646
OTHER FINANCING SOURCES (USES)						
Transfers in	23,057	20,763	300	300	23,052	23,052
Transfers out	(2,278)	(2,278)	-	-	(4,400)	(4,418)
Total other financing sources (uses)	20,779	18,485	300	300	18,652	18,634
Net change in fund balances	(28,792)	5,799	(250)	302	(42,906)	22,280
Fund balances - beginning	135,767	140,387	250	250	90,570	91,300
Fund balances - ending	$ 106,975	$ 146,186	$ -	$ 552	$ 47,664	$ 113,580

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, 2016

(amounts expressed in thousands)

	Non - GAAP Tourist Tax Revenue Bonds Construction		Human Services Grant Construction		Non-GAAP Library Construction Projects	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	1,332	338	-	-
Charges for services	-	-	-	-	-	-
Miscellaneous	1	-	-	-	6	65
Total revenues	1	-	1,332	338	6	65
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital Outlay						
General government	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	1,332	338	-	-
Culture and recreation	1	1	-	-	13,768	381
Total expenditures	1	1	1,332	338	13,768	381
Excess (deficiencies) of revenues over (under) expenditures	-	(1)	-	-	(13,762)	(316)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	5,472	5,472
Transfers out	(1)	(1)	-	-	-	-
Total other financing sources (uses)	(1)	(1)	-	-	5,472	5,472
Net change in fund balances	(1)	(2)	-	-	(8,290)	5,156
Fund balances - beginning	1	2	41	41	8,290	8,286
Fund balances - ending	$ -	$ -	$ 41	$ 41	$ -	$ 13,442

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, 2016

(amounts expressed in thousands)

	Non-GAAP All Hazards Construction Projects		Non-GAAP Impact Fees Community Parks Construction		Non-GAAP Impact Fees Regional Parks Construction	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Miscellaneous	1	5	1	12	-	3
Total revenues	1	5	1	12	-	3
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital Outlay						
General government	539	89	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Culture and recreation	-	-	2,236	395	769	89
Total expenditures	539	89	2,236	395	769	89
Excess (deficiencies) of revenues over (under) expenditures	(538)	(84)	(2,235)	(383)	(769)	(86)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	1,500	1,500	357	125
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	1,500	1,500	357	125
Net change in fund balances	(538)	(84)	(735)	1,117	(412)	39
Fund balances - beginning	802	803	984	982	414	414
Fund balances - ending	$ 264	$ 719	$ 249	$ 2,099	$ 2	$ 453

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, 2016

(amounts expressed in thousands)

	Non-GAAP Impact Fees Road Construction		Non-GAAP Impact Fees EMS Construction	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	6	107	-	1
Total revenues	6	107	-	1
EXPENDITURES				
Current				
General government	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Culture and recreation	-	-	-	-
Capital Outlay				
General government	-	-	500	85
Physical environment	-	-	-	-
Transportation	14,381	2,031	-	-
Economic environment	-	-	-	-
Culture and recreation	-	-	-	-
Total expenditures	14,381	2,031	500	85
Excess (deficiencies) of revenues over (under) expenditures	(14,375)	(1,924)	(500)	(84)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,160	150	500	500
Transfers out	-	-	-	-
Total other financing sources (uses)	3,160	150	500	500
Net change in fund balances	(11,215)	(1,774)	-	416
Fund balances - beginning	12,259	12,253	11	11
Fund balances - ending	$ 1,044	$ 10,479	$ 11	$ 427

See accompanying independent auditors' report.

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, 2016

(amounts expressed in thousands)

	Total		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	$ 18,430	$ 20,429	$ 1,999
Licenses and permits	305	423	118
Intergovernmental	10,262	4,745	(5,517)
Charges for services	102	154	52
Miscellaneous	403	1,869	1,466
Total revenues	29,502	27,620	(1,882)
EXPENDITURES			
Current			
General government	4,076	4,082	(6)
Physical environment	5,530	377	5,153
Transportation	10,921	6,261	4,660
Culture and recreation	18,956	8,285	10,671
Capital Outlay			
General government	5,402	514	4,888
Physical environment	9,188	602	8,586
Transportation	91,575	17,028	74,547
Economic environment	1,332	338	994
Culture and recreation	26,380	2,049	24,331
Total expenditures	173,360	39,536	133,824
Excess (deficiencies) of revenues over (under) expenditures	(143,858)	(11,916)	131,942
OTHER FINANCING SOURCES (USES)			
Transfers in	57,398	51,862	(5,536)
Transfers out	(6,679)	(6,697)	(18)
Total other financing sources (uses)	50,719	45,165	(5,554)
Net change in fund balances	(93,139)	33,249	126,388
Fund balances - beginning	249,389	254,729	5,340
Fund balances - ending	$ 156,250	$ 287,978	$ 131,728


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, 2016
(amounts expressed in thousands)

	Port Authority		Water and Wastewater		Transportation Facilities	
	Budget	Actual	Budget	Actual	Budget	Actual
OPERATING REVENUES						
User fees	$ 50,391	$ 48,265	$ 97,441	$ 106,028	$ -	$ -
Tolls	-	-	-	-	38,177	43,275
Rentals and franchise fees	5,678	5,748	185	182	-	-
Concessions	42,617	43,835	-	-	-	-
Miscellaneous	143	373	1,579	1,824	610	1,517
Total operating revenues	98,829	98,221	99,205	108,034	38,787	44,792
Less: Rebates	(4,627)	(3,534)	-	-	-	-
Net operating revenues	94,202	94,687	99,205	108,034	38,787	44,792
OPERATING EXPENSES						
Salaries and wages	22,385	22,142	15,082	14,506	3,498	3,332
Employee benefits	11,295	10,166	6,849	6,440	1,712	1,680
Contractual services, materials, and supplies	35,461	31,302	24,027	20,640	2,629	1,800
Utilities	4,657	4,562	5,420	5,608	287	251
Repairs and maintenance	3,720	3,518	2,504	3,846	321	263
Insurance	1,812	1,723	716	716	1,117	847
Other	3,377	2,327	3,427	3,407	676	665
Total operating expenses	82,707	75,740	58,025	55,163	10,240	8,838
Operating income (loss)	11,495	18,947	41,180	52,871	28,547	35,954
NON - OPERATING REVENUES (EXPENSES)						
Interest revenue	1,542	968	488	1,518	69	244
Taxes	-	-	-	-	-	-
Special assessment collections	-	-	52	83	-	-
Grants	288	296	531	269	-	-
Bond proceeds	-	-	-	-	-	-
Other debt proceeds	-	1,649	29,230	400	-	-
Interest expense	(15,099)	(14,955)	(9,723)	(9,704)	(5,160)	(5,160)
Excess fees - City of Sanibel	-	-	-	-	(1,362)	(1,686)
Capital outlay	(51,360)	(36,994)	(166,010)	(56,299)	(459)	(214)
Principal retirement	(9,925)	(9,461)	(10,543)	(10,546)	(9,294)	(8,980)
Payments to refunding escrow agent	-	-	-	-	-	-
Proceeds from disposal of capital assets	2	217	-	123	-	10
Passenger facility charges	18,175	16,857	-	-	-	-
Other revenues	2	2	387	402	900	956
Other expenses	(2)	(1)	(2)	(89)	-	(1)
Total non - operating revenues (expenses)	(56,377)	(41,422)	(155,590)	(73,843)	(15,306)	(14,831)
Income (loss) before contributions and transfers	(44,882)	(22,475)	(114,410)	(20,972)	13,241	21,123
Capital grants and contributions	17,282	29,226	10,874	10,228	-	-
Transfers in	80,187	56,822	53,217	52,234	34,047	30,781
Transfers out	(80,187)	(56,822)	(53,217)	(52,234)	(45,251)	(41,972)
Total contributions and transfers	17,282	29,226	10,874	10,228	(11,204)	(11,191)
Change in net position	(27,600)	6,751	(103,536)	(10,744)	2,037	9,932
Total net position - beginning	155,717	158,710	226,740	267,191	22,603	26,517
Total net position - ending	$ 128,117	$ 165,461	$ 123,204	$ 256,447	$ 24,640	$ 36,449
RECONCILIATION OF BUDGETARY BASIS TO GAAP						
Change in net position, budgetary basis		$ 6,751		$ (10,744)		$ 9,932
Add: Capital outlay		36,994		56,299		214
Principal retirement		9,461		10,546		8,980
Capitalized interest		247		2,948		-
Payments to refunding escrow agent		-		-		-
Compensated absences		-		-		-
Inventory adjustments		5		959		-
Fair market value adjustment		-		72		16
Prepaid adjustment		-		38		-
Capital contributions		13		9,866		-
Special assessment		-		126		-
Accounts receivable adjustments		-		-		-
Bond amortization		-		669		1,171
Less: Depreciation		(22,550)		(42,465)		(7,686)
Inventory adjustments		-		-		(37)
Compensated absences		(38)		(46)		(13)
Bond amortization		(207)		-		-
Prepaid adjustment		-		-		(22)
Bond proceeds		-		-		-
Other debt proceeds		(1,649)		(400)		-
Loss on discontinued projects		(7)		(561)		-
Net book value of capital assets disposed		(159)		(366)		(10)
Accounts receivable adjustments		-		(567)		-
Pension expense adjustments		(1,627)		(392)		(106)
Other postemployment benefit plan adjustments		(3,074)		(2,180)		(727)
Change in net position		$ 24,160		$ 23,802		$ 11,712

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, 2016
(amounts expressed in thousands)

	Solid Waste		Other Non-Major Transit		Total		
	Budget	Actual	Budget	Actual	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES							
User fees	$ 61,971	$ 61,821	$ 4,173	$ 3,901	$ 213,976	$ 220,015	$ 6,039
Tolls	-	-	-	-	38,177	43,275	5,098
Rentals and franchise fees	2,627	1,984	16	149	8,506	8,063	(443)
Concessions	-	-	-	-	42,617	43,835	1,218
Miscellaneous	17,635	14,257	6	2	19,973	17,973	(2,000)
Total operating revenues	82,233	78,062	4,195	4,052	323,249	333,161	9,912
Less: Rebates	-	-	-	-	(4,627)	(3,534)	1,093
Net operating revenues	82,233	78,062	4,195	4,052	318,622	329,627	11,005
OPERATING EXPENSES							
Salaries and wages	5,139	4,925	10,641	10,518	56,745	55,423	1,322
Employee benefits	2,301	2,298	5,971	5,876	28,128	26,460	1,668
Contractual services, materials, and supplies	61,096	58,455	4,638	2,919	127,851	115,116	12,735
Utilities	554	564	338	399	11,256	11,384	(128)
Repairs and maintenance	1,813	2,134	1,487	1,424	9,845	11,185	(1,340)
Insurance	414	410	504	504	4,563	4,200	363
Other	1,077	978	906	827	9,463	8,204	1,259
Total operating expenses	72,394	69,764	24,485	22,467	247,851	231,972	15,879
Operating income (loss)	9,839	8,298	(20,290)	(18,415)	70,771	97,655	26,884
NON - OPERATING REVENUES (EXPENSES)							
Interest revenue	71	344	10	55	2,180	3,129	949
Taxes	1,237	1,257	-	-	1,237	1,257	20
Special assessment collections	-	-	-	-	52	83	31
Grants	(900)	(862)	8,178	7,315	8,097	7,018	(1,079)
Bond proceeds	77,075	77,075	-	-	77,075	77,075	-
Other debt proceeds	-	-	-	-	29,230	2,049	(27,181)
Interest expense	(3,941)	(3,762)	(39)	(39)	(33,962)	(33,620)	342
Excess fees - City of Sanibel	-	-	-	-	(1,362)	(1,686)	(324)
Capital outlay	(3,311)	(1,390)	(14,596)	(8,030)	(235,736)	(102,927)	132,809
Principal retirement	(5,080)	(5,080)	(1,368)	(1,368)	(36,210)	(35,435)	775
Payments to refunding escrow agent	(76,682)	(76,682)	-	-	(76,682)	(76,682)	-
Proceeds from disposal of capital assets	134	137	16	104	152	591	439
Passenger facility charges	-	-	-	-	18,175	16,857	(1,318)
Other revenues	-	179	6	20	1,295	1,559	264
Other expenses	(509)	(488)	-	-	(513)	(579)	(66)
Total non - operating revenues (expenses)	(11,906)	(9,272)	(7,793)	(1,943)	(246,972)	(141,311)	105,661
Income (loss) before contributions and transfers	(2,067)	(974)	(28,083)	(20,358)	(176,201)	(43,656)	132,545
Capital grants and contributions	-	-	14,248	7,940	42,404	47,394	4,990
Transfers in	145,862	146,113	13,810	13,832	327,123	299,782	(27,341)
Transfers out	(148,845)	(146,264)	(1,407)	(1,407)	(328,907)	(298,699)	30,208
Total contributions and transfers	(2,983)	(151)	26,651	20,365	40,620	48,477	7,857
Change in net position	(5,050)	(1,125)	(1,432)	7	(135,581)	4,821	140,402
Total net position - beginning	89,635	95,806	5,958	(5,501)	500,653	542,723	42,070
Total net position - ending	$ 84,585	$ 94,681	$ 4,526	$ (5,494)	$ 365,072	$ 547,544	$ 182,472
RECONCILIATION OF BUDGETARY BASIS TO GAAP							
Change in net position, budgetary basis		$ (1,125)		$ 7		$ 4,821	
Add: Capital outlay		1,390		8,030		102,927	
Principal retirement		5,080		1,368		35,435	
Capitalized interest		-		-		3,195	
Payments to refunding escrow agent		76,682		-		76,682	
Compensated absences		4		-		4	
Inventory adjustments		-		-		964	
Fair market value adjustment		67		-		155	
Prepaid adjustment		-		-		38	
Capital contributions		-		-		9,879	
Special assessment		-		-		126	
Accounts receivable adjustments		7		-		7	
Bond amortization		89		-		1,929	
Less: Depreciation		(14,541)		(3,862)		(91,104)	
Inventory adjustments		-		-		(37)	
Compensated absences		-		(39)		(136)	
Bond amortization		-		-		(207)	
Prepaid adjustment		(6)		(11)		(39)	
Bond proceeds		(77,075)		-		(77,075)	
Other debt proceeds		-		-		(2,049)	
Loss on discontinued projects		-		-		(568)	
Net book value of capital assets disposed		(43)		(53)		(631)	
Accounts receivable adjustments		-		-		(567)	
Pension expense adjustments		(217)		(242)		(2,584)	
Other postemployment benefit plansadjustments		(620)		(1,711)		(8,312)	
Change in net position		$ (10,308)		$ 3,487		$ 52,853	

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, 2016
(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, cash equivalents and investments	$ 5,281	$ 3,799	$ 40,537	$ 19,180	$ 3,282	$ 12,539	$ 84,618
Receivables (net)	5	182	114	25	16	-	342
Due from other funds	306	39	-	-	2	-	347
Due from other governments	9	118	356	-	23	-	506
Inventories	-	-	-	-	302	-	302
Other	390	69	-	396	8	-	863
Total current assets	5,991	4,207	41,007	19,601	3,633	12,539	86,978
Noncurrent Assets:							
Capital assets:							
Non-depreciable	1,632	-	-	-	510	-	2,142
Depreciable	20,758	12,615	2	-	26,629	-	60,004
Less accumulated depreciation	(17,717)	(9,617)	(2)	-	(17,716)	-	(45,052)
Total noncurrent assets	4,673	2,998	-	-	9,423	-	17,094
Total assets	10,664	7,205	41,007	19,601	13,056	12,539	104,072
DEFERRED OUTFLOWS OF RESOURCES							
Unamortized pension costs and subsequent contributions	29	83	133	92	474	-	811
Total deferred outflows of resources	29	83	133	92	474	-	811
LIABILITIES							
Current liabilities:							
Contracts and accounts payable	852	27	744	302	299	127	2,351
Accrued liabilities	5	9	191	10	44	-	259
Due to other funds	-	4	1	3	2	-	10
Due to other governments	4	44	7	4	66	-	125
Capital leases payable	-	-	-	-	208	-	208
Self-insurance claims payable	-	-	6,172	2,454	-	4,114	12,740
Compensated absences	1	3	3	2	13	-	22
Net pension liability	1	2	4	3	16	-	26
Total current liabilities	863	89	7,122	2,778	648	4,241	15,741

(continued)

Lee County, Florida
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
As of September 30, 2016
(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
Noncurrent liabilities:							
Self-insurance claims payable	-	-	-	10,652	-	-	10,652
Compensated absences	4	23	22	20	110	-	179
Capital leases payable	-	-	-	-	431	-	431
Net pension liability	80	220	364	249	1,329	-	2,242
Other postemployment benefits	70	345	401	287	1,875	-	2,978
Other	-	-	-	650	-	-	650
Total noncurrent liabilities	154	588	787	11,858	3,745	-	17,132
Total liabilities	1,017	677	7,909	14,636	4,393	4,241	32,873
DEFERRED INFLOWS OF RESOURCES							
Unamortized pension costs	2	5	7	5	25	-	44
Total deferred inflows of resources	2	5	7	5	25	-	44
NET POSITION							
Net investment in capital assets	4,573	2,998	-	-	8,704	-	16,275
Unrestricted	5,101	3,608	33,224	5,052	408	8,298	55,691
Total net position	$ 9,674	$ 6,606	$ 33,224	$ 5,052	$ 9,112	$ 8,298	$ 71,966

See accompanying independent auditor's report.

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2016
(amounts expressed in thousands)

	Governmental	Self - Insurance			Sheriff's	
	Information Technology	Communications Network	Group Health and Dental	General Liabilitiy	Fleet Management	Internal Service	Total
OPERATING REVENUES							
User fees	$ 12,773	$ 2,326	$ 61,475	$ 9,087	$ 6,584	$ 27,050	$ 119,295
Total operating revenues	12,773	2,326	61,475	9,087	6,584	27,050	119,295
OPERATING EXPENSES							
Salaries and wages	79	270	403	281	1,368	-	2,401
Employee benefits	28	157	209	202	785	-	1,381
Contractual services, materials and supplies	8,542	225	3,947	379	2,131	2,926	18,150
Utilities	2,013	117	7	4	86	-	2,227
Repairs and maintenance	506	1,407	-	1	2,308	-	4,222
Insurance	-	12	-	3,457	17	1,537	5,023
Insurance claims	-	-	62,379	4,294	-	25,369	92,042
Other	72	239	89	76	233	-	709
Depreciation	758	900	-	-	1,529	-	3,187
Total operating expenses	11,998	3,327	67,034	8,694	8,457	29,832	129,342
Operating income (loss)	775	(1,001)	(5,559)	393	(1,873)	(2,782)	(10,047)
NON-OPERATING REVENUES (EXPENSES)							
Investment earnings	31	26	290	122	29	10	508
Grants	-	(100)	-	-	-	-	(100)
Interest expense	-	-	-	-	(20)	-	(20)
Gain (loss) on disposal of capital assets	-	(7)	-	-	217	-	210
Other revenues	-	321	10	615	19	-	965
Total non-operating revenues (expenses)	31	240	300	737	245	10	1,563
Income (loss) before transfers and contributions	806	(761)	(5,259)	1,130	(1,628)	(2,772)	(8,484)
Capital grants and contributions	-	3	-	-	14	-	17
Transfers in	-	-	-	-	2,000	-	2,000
Total contributions and transfers	0	3	0	0	2,014	0	2,017
Change in net position	806	(758)	(5,259)	1,130	386	(2,772)	(6,467)
Total net position - beginning	8,868	7,364	38,483	3,922	8,726	11,070	78,433
Total net position - ending	$ 9,674	$ 6,606	$ 33,224	$ 5,052	$ 9,112	$ 8,298	$ 71,966

See accompanying independent auditors' report.

Lee County, Florida
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2016
(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	$ -	$ 1,324	$ 13,255	$ 40	$ 548	$ -	$ 15,167
Receipts from interfund services provided	12,762	1,155	49,129	9,084	6,054	27,042	105,226
Payments to suppliers	(10,975)	(2,036)	(65,579)	(7,389)	(4,775)	(29,535)	(120,289)
Payments to employees	(106)	(335)	(410)	(400)	(1,917)	-	(3,168)
Payments for interfund services used	(10)	-	-	-	-	-	(10)
Net cash provided by (used in) operating activities	1,671	108	(3,605)	1,335	(90)	(2,493)	(3,074)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Non-capital grant issued	-	(100)	-	-	-	-	(100)
Transfer in	-	-	-	-	2,000	-	2,000
Net cash provided by (used in) noncapital financing activities	-	(100)	-	-	2,000	-	1,900
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Capital asset purchases	(593)	(157)	-	-	(4,289)	-	(5,039)
Principal paid on bonds, loans, leases, and interfund loans	-	-	-	-	(203)	-	(203)
Interest paid on bonds, loans, leases, and interfund loans	-	-	-	-	(20)	-	(20)
Proceeds from sale of capital assets	-	44	-	-	385	-	429
Net cash (used in) capital and related financing activities	(593)	(113)	-	-	(4,127)	-	(4,833)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments	29	25	283	117	29	10	493
Net cash provided by investing activities	29	25	283	117	29	10	493
Net increase (decrease) in cash and equity in pooled cash and investments	1,107	(80)	(3,322)	1,452	(2,188)	(2,483)	(5,514)
Cash and cash equivalents at beginning of year	4,174	3,879	43,859	17,728	5,470	15,022	90,132
Cash and cash equivalents at end of year	$ 5,281	$ 3,799	$ 40,537	$ 19,180	$ 3,282	$ 12,539	$ 84,618
Classified as:							
Current assets	$ 5,281	$ 3,799	$ 40,537	$ 19,180	$ 3,282	$ 12,539	$ 84,618

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2016
(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							
Increase (decrease) in fair value of investments	$ (2)	$ (1)	$ 12	$ 8	$ -	$ -	$ 17
Purchase of capital assets on account	99	-	-	-	80	-	179
Contributions of capital assets	-	3	-	-	14	-	17
Loss on disposal of capital assets	-	(51)	-	-	(168)	-	(219)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:							
Operating income (loss)	$ 775	$ (1,001)	$ (5,559)	$ 393	$ (1,873)	$ (2,782)	$ (10,047)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:							
Depreciation	758	900	-	-	1,529	-	3,187
Other revenues	-	321	10	-	19	-	350
(Increase) decrease in accounts receivable	-	(172)	917	37	-	-	782
(Increase) decrease in due from other funds	(2)	4	-	-	(1)	-	1
(Increase) in due from other governments	(9)	(1)	(18)	-	-	-	(28)
Decrease in inventories	-	-	-	-	20	-	20
(Increase) decrease in other assets	260	(38)	-	(7)	-	-	215
Increase (decrease) in contracts and accounts payable	(105)	3	270	123	(18)	(6)	267
Increase in accrued liabilities	2	1	159	3	2	-	167
Increase (decrease) in due to other funds	-	-	-	1	(2)	(8)	(9)
Increase in due to other governments	1	41	2	1	47	-	92
Increase (decrease) in compensated absences	(15)	5	(9)	(1)	(4)	-	(24)
Increase in other postemployment benefits	-	42	32	39	227	-	340
Increase (decrease) in net pension liability and related deferred outflows/inflows of resources	6	3	19	42	(36)	-	34
Increase in other liabilities	-	-	572	704	-	303	1,579
Total adjustments	896	1,109	1,954	942	1,783	289	6,973
Net cash provided by (used in) operating activities	$ 1,671	$ 108	$ (3,605)	$ 1,335	$ (90)	$ (2,493)	$ (3,074)

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, 2016
(amounts expressed in thousands)

	Information Technology		Governmental Communications Network		Self-Insurance Group Health and Dental	
	Budget	Actual	Budget	Actual	Budget	Actual
OPERATING REVENUES						
User fees	$ 12,155	$ 12,773	$ 2,183	$ 2,326	$ 59,323	$ 61,475
Total operating revenues	12,155	12,773	2,183	2,326	59,323	61,475
OPERATING EXPENSES						
Salaries and wages	108	94	267	265	421	412
Employee benefits	27	22	105	112	175	158
Contractual services, materials, and supplies	8,848	8,247	89	249	4,230	3,947
Utilities	2,072	2,012	142	117	5	7
Repairs and maintenance	648	542	1,473	1,407	-	-
Insurance	-	-	12	12	-	-
Insurance claims	-	-	-	-	61,873	61,807
Other	72	72	277	257	93	89
Total operating expenses	11,775	10,989	2,365	2,419	66,797	66,420
Operating income (loss)	380	1,784	(182)	(93)	(7,474)	(4,945)
NON - OPERATING REVENUES (EXPENSES)						
Interest revenue	9	29	10	24	122	278
Grants	-	-	(107)	(97)	-	-
Interest expense	-	-	-	-	-	-
Capital outlay	(1,679)	(692)	(689)	(157)	-	-
Principal retirement	-	-	-	-	-	-
Proceeds from capital asset disposal	-	-	-	44	-	-
Other revenues	-	-	284	321	-	10
Total non - operating revenues (expenses)	(1,670)	(663)	(502)	135	122	288
Income (loss) before transfers	(1,290)	1,121	(684)	42	(7,352)	(4,657)
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total transfers	-	-	-	-	-	-
Change in net position	(1,290)	1,121	(684)	42	(7,352)	(4,657)
Total net position - beginning	4,196	6,107	3,735	2,828	44,318	45,579
Total net position - ending	$ 2,906	$ 7,228	$ 3,051	$ 2,870	$ 36,966	$ 40,922
RECONCILIATION OF BUDGETARY BASIS TO GAAP						
Change in net position, budgetary basis		$ 1,121		$ 42		$ (4,657)
Add: Capital outlay		692		157		-
Compensated absences		15		-		9
Principal retirement		-		-		-
Fair market value adjustment		2		2		12
Capital contributions		-		3		-
Prepaid adjustments		-		39		-
Pension expense adjustments		-		-		-
Less: Depreciation		(758)		(900)		-
Inventory adjustment		-		-		-
Compensated absences		-		(5)		-
Prepaid adjustments		(260)		-		-
Net book value of capital assets disposed		-		(51)		-
Claims payable adjustment		-		-		(572)
Pension expense adjustments		(6)		(3)		(19)
Other postemployment benefit plan adjustments		-		(42)		(32)
Change in net position		$ 806		$ (758)		$ (5,259)

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, 2016
(amounts expressed in thousands)

	Self-Insurance General Liability		Fleet Management		Total		
	Budget	Actual	Budget	Actual	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES							
User fees	$ 9,093	$ 9,087	$ 7,460	$ 6,584	$ 90,214	$ 92,245	$ 2,031
Total operating revenues	9,093	9,087	7,460	6,584	90,214	92,245	2,031
OPERATING EXPENSES							
Salaries and wages	304	282	1,553	1,372	2,653	2,425	228
Employee benefits	130	122	652	594	1,089	1,008	81
Contractual services, materials, and supplies	488	379	3,830	2,111	17,485	14,933	2,552
Utilities	4	4	103	86	2,326	2,226	100
Repairs and maintenance	1	1	2,390	2,308	4,512	4,258	254
Insurance	4,486	3,464	17	17	4,515	3,493	1,022
Insurance claims	5,975	3,590	-	-	67,848	65,397	2,451
Other	88	76	490	233	1,020	727	293
Total operating expenses	11,476	7,918	9,035	6,721	101,448	94,467	6,981
Operating income (loss)	(2,383)	1,169	(1,575)	(137)	(11,234)	(2,222)	9,012
NON - OPERATING REVENUES (EXPENSES)							
Interest revenue	35	115	20	29	196	475	279
Grants	-	-	-	-	(107)	(97)	10
Interest expense	-	-	(20)	(20)	(20)	(20)	-
Capital outlay	-	-	(4,370)	(4,349)	(6,738)	(5,198)	1,540
Principal retirement	-	-	(203)	(203)	(203)	(203)	-
Proceeds from capital asset disposal	-	-	211	385	211	429	218
Other revenues	-	615	1,505	19	1,789	965	(824)
Total non - operating revenues (expenses)	35	730	(2,857)	(4,139)	(4,872)	(3,649)	1,223
Income (loss) before transfers	(2,348)	1,899	(4,432)	(4,276)	(16,106)	(5,871)	10,235
Transfers in	-	-	4,200	3,200	4,200	3,200	(1,000)
Transfers out	-	-	(2,200)	(1,200)	(2,200)	(1,200)	1,000
Total transfers	-	-	2,000	2,000	2,000	2,000	-
Change in net position	(2,348)	1,899	(2,432)	(2,276)	(14,106)	(3,871)	10,235
Total net position - beginning	17,476	14,198	5,197	4,014	74,922	72,726	(2,196)
Total net position - ending	$ 15,128	$ 16,097	$ 2,765	$ 1,738	$ 60,816	$ 68,855	$ 8,039

RECONCILIATION OF BUDGETARY BASIS TO GAAP			
Change in net position, budgetary basis	$ 1,899	$ (2,276)	$ (3,871)
Add: Capital outlay	-	4,349	5,198
Compensated absences	1	4	29
Principal retirement	-	203	203
Fair market value adjustment	7	-	23
Capital contributions	-	14	17
Prepaid adjustments	7	-	46
Pension expense adjustments	-	36	36
Less: Depreciation	-	(1,529)	(3,187)
Inventory adjustment	-	(20)	(20)
Compensated absences	-	-	(5)
Prepaid adjustments	-	-	(260)
Net book value of capital assets disposed	-	(168)	(219)
Claims payable adjustment	(703)	-	(1,275)
Pension expense adjustments	(42)	-	(70)
Other postemployment benefit plan adjustments	(39)	(227)	(340)
Change in net position	$ 1,130	$ 386	$ (3,695)



This page is intentionally blank.


Agency
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
AGENCY FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Board of County Commissioners		
	Construction Management	Impact Fees-Fire	Impact Fees-School
ASSETS			
Cash, cash equivalents and investments	$ 672	$ 230	$ 1,380
Accounts receivable	-	-	-
Due from other governments	-	-	-
Total Assets	672	230	1,380
LIABILITIES			
Contracts and accounts payable	-	-	-
Due to individuals	-	-	30
Due to other governments	-	230	1,350
Bonds and deposits	672	-	-
Total Liabilities	$ 672	$ 230	$ 1,380

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Board of County Commissioners Cash Bond	Clerk of Circuit Court	Sheriff
ASSETS			
Cash, cash equivalents and investments	$ 1,079	$ 24,062	$ 171
Accounts receivable	-	-	3
Due from other governments	-	-	-
Total Assets	1,079	24,062	174
LIABILITIES			
Contracts and accounts payable	-	48	37
Due to individuals	-	-	100
Due to other governments	-	5,095	37
Bonds and deposits	1,079	18,919	-
Total Liabilities	$ 1,079	$ 24,062	$ 174

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
As of September 30, 2016
(amounts expressed in thousands)

	Tax Collector	Total
ASSETS		
Cash, cash equivalents and investments	$ 12,861	$ 40,455
Accounts receivable	6	9
Due from other governments	504	504
Total Assets	13,371	40,968
LIABILITIES		
Contracts and accounts payable	-	85
Due to individuals	1,045	1,175
Due to other governments	12,326	19,038
Bonds and deposits	-	20,670
Total Liabilities	$ 13,371	$ 40,968

See accompanying independent auditors' report.

Lee County, Florida
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2016
(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Ending Balance
Construction Management				
ASSETS				
Cash, cash equivalents and investments	$ 667	$ 5	$ -	$ 672
Total assets	667	5	-	672
LIABILITIES				
Bonds and deposits	667	5	-	672
Total liabilities	667	5	-	672
Impact Fees- Fire				
ASSETS				
Cash, cash equivalents and investments	720	731	1,221	230
Total assets	720	731	1,221	230
LIABILITIES				
Contracts and accounts payable	-	488	488	-
Due to other governments	720	1,329	1,819	230
Total liabilities	720	1,817	2,307	230
Impact Fees- Village of Estero				
ASSETS				
Cash, cash equivalents and investments	31	738	769	-
Total assets	31	738	769	-
LIABILITIES				
Due to other governments	31	1,374	1,405	-
Total liabilities	31	1,374	1,405	-
Impact Fees- School				
ASSETS				
Cash, cash equivalents and investments	1,378	6,234	6,232	1,380
Total assets	1,378	6,234	6,232	1,380
LIABILITIES				
Contracts and accounts payable	-	6,163	6,163	-
Due to individuals	37	9	16	30
Due to other governments	1,341	6,156	6,147	1,350
Total liabilities	1,378	12,328	12,326	1,380
Cash Bonds				
ASSETS				
Cash, cash equivalents and investments	2,240	170	1,331	1,079
Total assets	2,240	170	1,331	1,079
LIABILITIES				
Contracts and accounts payable	-	1,312	1,312	-
Bonds and deposits	2,240	151	1,312	1,079
Total liabilities	$ 2,240	$ 1,463	$ 2,624	$ 1,079

See accompanying independent auditors' report.

(continued)

Lee County, Florida
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2016
(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Ending Balance
Clerk of Circuit Court				
ASSETS				
Cash, cash equivalents and investments	$ 27,477	$ 253,914	$ 257,329	$ 24,062
Receivables (net)	-	11,925	11,925	-
Due from other governments	1	-	1	-
Total assets	27,478	265,839	269,255	24,062
LIABILITIES				
Contracts and accounts payable	19	76,984	76,955	48
Due to other governments	4,165	120,125	119,195	5,095
Bonds and deposits	23,294	73,481	77,856	18,919
Total liabilities	27,478	270,590	274,006	24,062
Sheriff				
ASSETS				
Cash, cash equivalents and investments	278	4,571	4,678	171
Receivables (net)	5	505	507	3
Total assets	283	5,076	5,185	174
LIABILITIES				
Contracts and accounts payable	42	37	42	37
Due to individuals	186	4,256	4,342	100
Due to other governments	55	37	55	37
Total liabilities	283	4,330	4,439	174
Tax Collector				
ASSETS				
Cash, cash equivalents and investments	12,781	1,076,244	1,076,164	12,861
Receivables (net)	4	74	72	6
Due from other governments	526	1,120	1,142	504
Total assets	13,311	1,077,438	1,077,378	13,371
LIABILITIES				
Due to individuals	1,294	55,247	55,496	1,045
Due to other governments	12,017	1,020,125	1,019,816	12,326
Total liabilities	13,311	1,075,372	1,075,312	13,371
Total				
ASSETS				
Cash, cash equivalents and investments	45,572	1,342,607	1,347,724	40,455
Receivables (net)	9	12,504	12,504	9
Due from other governments	527	1,120	1,143	504
Total assets	46,108	1,356,231	1,361,371	40,968
LIABILITIES				
Contracts and accounts payable	61	84,984	84,960	85
Due to individuals	1,517	59,512	59,854	1,175
Due to other governments	18,329	1,149,146	1,148,437	19,038
Bonds and deposits	26,201	73,637	79,168	20,670
Total liabilities	$ 46,108	$ 1,367,279	$ 1,372,419	$ 40,968



This page is intentionally blank.


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)

	2007	2008	2009	2010	2011	2012	2013*	2014**	2015	2016
Governmental Activities										
Net investment in capital assets	$ 1,148,026	$ 1,318,137	$ 1,456,025	$ 1,547,366	$ 1,536,885	$ 1,568,248	$ 1,568,957	$ 1,534,250	$ 1,520,900	$ 1,516,589
Restricted for:										
Capital projects	370,932	333,179	324,494		74,185	74,621	66,647	75,847	105,692	127,648
Debt service	21,940	20,138	19,849	18,556	15,990	11,239	11,998	12,969	8,012	10,011
Inventory for resale	-	-	-	-	-	2,134	1,853	2,370	2,301	1,562
Special revenue funds	-	-	-	22,526	47,615	59,119	61,394	63,580	77,274	80,192
Unrestricted	520,745	527,270	440,397	612,235	429,696	305,959	232,952	205,038	(2,694)	(47,729)
Governmental activities net position	2,061,643	2,198,724	2,240,765	2,200,683	2,104,371	2,021,320	1,943,801	1,894,054	1,711,485	1,688,273
Business-type Activities										
Net investment in capital assets	860,208	942,028	971,317	1,010,013	1,038,481	1,041,260	1,061,519	1,073,096	1,097,836	1,123,905
Restricted for:										
Capital projects	69,877	65,661	56,336	52,319	49,850	59,051	56,200	51,124	67,931	84,864
Debt service	37,626	40,954	41,207	39,901	61,123	26,155	24,971	30,908	32,265	28,204
Renewal and replacement	16,547	13,849	13,658	13,619	13,573	10,249	8,520	17,481	20,632	24,135
Unrestricted	252,241	258,169	284,602	271,908	245,844	268,066	272,561	304,102	250,618	259,403
Business-type activities net position	1,236,499	1,320,661	1,367,120	1,387,760	1,408,871	1,404,781	1,423,771	1,476,711	1,469,282	1,520,511
Primary Government										
Net investment in capital assets	2,008,234	2,260,165	2,427,342	2,557,379	2,575,366	2,609,508	2,630,476	2,607,346	2,618,736	2,640,494
Restricted for:										
Capital projects	440,809	398,840	380,830	52,319	124,035	133,672	122,847	126,971	173,623	212,512
Debt service	59,566	61,092	61,056	58,457	77,113	37,394	36,969	43,877	40,277	38,215
Renewal and replacement	16,547	13,849	13,658	13,619	13,573	10,249	8,520	17,481	20,632	24,135
Inventory for resale	-	-	-	-	-	2,134	1,853	2,370	2,301	1,562
Special revenue funds	-	-	-	22,526	47,615	59,119	61,394	63,580	77,274	80,192
Unrestricted	772,986	785,439	724,999	884,143	675,540	574,025	505,513	509,140	247,924	211,674
Total primary government net position	$ 3,298,142	$ 3,519,385	$ 3,607,885	$ 3,588,443	$ 3,513,242	$ 3,426,101	$ 3,367,572	$ 3,370,765	$ 3,180,767	$ 3,208,784

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 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)

	2007	2008	2009	2010	2011	2012 **	2013 **	2014***	2015	2016
Expenses										
Governmental Activities:										
General government	$ 202,104	$ 240,356	$ 212,095	$ 217,610	$ 213,936	$ 206,427	$ 207,265	$ 200,741	$ 208,748	$ 228,779
Public safety	228,403	242,867	235,098	223,936	218,590	202,799	204,534	210,796	209,156	234,012
Physical environment	24,951	14,365	16,033	12,413	13,327	14,665	16,907	21,512	13,919	13,251
Transportation	60,292	56,408	65,132	58,863	60,983	54,600	64,484	57,101	57,719	56,614
Economic environment	23,409	25,769	25,126	35,350	34,722	30,613	24,337	25,048	27,276	28,571
Human services	22,947	24,921	25,200	26,475	26,418	26,796	20,474	20,481	20,273	21,528
Culture and recreation	72,903	71,266	67,102	62,953	61,677	64,689	70,437	71,816	78,393	79,514
Interest on long-term debt	13,904	13,007	12,144	11,380	15,486	14,448	12,557	12,136	11,189	10,494
Total governmental activities expenses	648,913	688,959	657,930	648,980	645,139	615,037	620,995	619,631	626,673	672,763
Business-type Activities:										
Airport	100,605	108,382	103,472	99,334	99,750	98,489	103,994	105,761	104,830	118,403
Water and wastewater	91,121	96,895	97,406	105,092	109,700	106,981	105,921	105,469	104,153	107,311
Transit	21,456	24,805	23,250	22,806	24,143	23,511	26,932	23,944	27,171	28,713
Transportation facilities	26,742	31,430	28,714	29,147	27,100	25,392	25,816	27,113	24,064	23,191
Solid waste	64,798	75,997	80,101	78,698	79,381	77,123	82,683	79,264	84,378	90,159
Total business-type activities expenses	304,722	337,509	332,943	335,077	340,074	331,496	345,346	341,551	344,566	367,777
Total primary government expenses	$ 953,635	$ 1,026,468	$ 990,873	$ 984,057	$ 985,213	$ 946,533	$ 966,341	$ 961,182	$ 971,239	$ 1,040,540
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	$ 79,183	$ 75,516	$ 69,995	$ 55,861	$ 53,791	$ 53,738	$ 59,365	$ 65,673	$ 68,019	$ 73,047
Public safety	48,257	41,546	41,255	42,074	40,648	34,843	38,992	39,925	41,707	43,416
Physical environment	2,871	2,270	2,125	1,984	1,873	1,783	2,004	2,184	2,134	2,039
Transportation	2,388	1,393	1,223	971	951	1,178	939	920	905	1,024
Economic environment	-	-	3	1,578	3,165	2,025	795	592	550	440
Human services	3,173	2,976	2,805	2,501	2,391	2,403	2,579	2,099	2,236	2,542
Culture and recreation	4,484	4,430	4,381	4,573	6,158	5,396	5,882	6,396	6,626	6,276
Operating grants and contributions	31,262	31,593	35,215	58,707	47,811	50,227	43,615	32,799	35,056	35,317
Capital grants and contributions	17,779	12,711	10,342	13,761	10,538	10,898	10,943	3,327	6,537	13,870
Governmental activities program revenues	189,397	172,435	167,344	182,010	167,326	162,491	165,114	153,915	163,770	177,971
Business-type Activities:										
Charges for services:										
Airport	101,409	101,974	98,570	98,090	99,360	98,989	104,009	107,250	109,705	111,544
Water and wastewater	72,681	89,495	85,707	85,121	84,736	90,991	97,760	102,740	106,787	108,034
Transit	3,054	3,100	3,340	3,201	3,290	3,690	3,846	3,703	4,000	4,052
Transportation facilities	41,134	38,097	37,160	36,630	36,665	37,448	38,725	41,179	43,083	44,792
Solid waste	79,094	84,399	85,281	86,932	84,972	76,964	70,094	73,264	72,407	76,078
Operating grants and contributions	5,899	7,347	5,749	8,405	5,198	5,582	5,657	6,381	6,493	8,012
Capital grants and contributions	69,501	70,330	46,122	22,045	32,183	17,076	42,245	47,612	40,757	57,482
Business-type activities program revenues	372,772	394,742	361,929	340,424	346,404	330,740	362,336	382,129	383,232	409,994
Total primary government program revenues	$ 562,169	$ 567,177	$ 529,273	$ 522,434	$ 513,730	$ 493,231	$ 527,450	$ 536,044	$ 547,002	$ 587,965

(continued)

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

	2007	2008	2009	2010	2011	2012 **	2013 **	2014***	2015	2016
Net (Expense) Revenue*										
Governmental Activities	$ (459,516)	$ (516,524)	$ (490,586)	$ (466,970)	$ (477,813)	$ (452,546)	$ (455,881)	$ (465,716)	$ (462,903)	$ (494,792)
Business-type Activities	68,050	57,233	28,986	5,347	6,330	(756)	16,990	40,578	38,666	42,217
Total primary government net expense	$ (391,466)	$ (459,291)	$ (461,600)	$ (461,623)	$ (471,483)	$ (453,302)	$ (438,891)	$ (425,138)	$ (424,237)	$ (452,575)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property taxes	$ 466,026	$ 463,880	$ 400,300	$ 309,068	$ 265,028	$ 255,944	$ 254,662	$ 274,203	$ 292,170	$ 308,241
Gas taxes	19,541	18,260	17,775	17,232	17,032	17,116	17,992	18,616	20,157	20,404
Tourist taxes	22,986	23,768	21,880	22,756	23,981	26,672	28,535	33,197	37,560	39,638
Communication taxes	10,457	10,946	10,885	10,134	9,818	9,561	9,559	9,606	9,268	8,705
Franchise fees	9,352	9,161	9,293	8,407	8,398	8,013	8,355	16,330	19,476	17,369
Impact fees	39,671	14,769	7,003	3,127	1,892	-	-	-	-	-
Unrestricted grants and contributions	76,509	59,471	44,666	44,151	46,196	49,484	52,668	57,258	61,140	63,286
Investment earnings	64,510	37,376	14,813	7,112	3,670	2,729	1,826	866	2,860	4,728
Miscellaneous	31,233	24,171	15,592	13,487	13,866	8,744	12,965	16,443	13,698	10,292
Transfers	(8,948)	(8,197)	(9,580)	(8,586)	(8,380)	(8,768)	(6,045)	(8,396)	12,323	(1,083)
Total governmental activities general revenues and transfers	731,337	653,605	532,627	426,888	381,501	369,495	380,517	418,123	468,652	471,580
Business-type Activities:										
Property taxes	2,337	2,036	1,524	2,123	1,739	1,077	561	568	584	1,257
Franchise fees	1,535	2,221	1,586	1,580	1,604	1,701	1,677	1,654	1,778	1,984
Investment earnings	26,770	12,452	3,919	2,214	1,344	1,180	1,034	605	1,580	3,129
Miscellaneous	964	2,023	864	790	1,714	886	1,300	1,139	1,762	1,559
Special item-loss on discontinued project	-	-	-	-	-	(16,946)	-	-	-	-
Transfers	8,948	8,197	9,580	8,586	8,380	8,768	6,045	8,396	(12,323)	1,083
Total Business-type activities general revenues, special item, and transfers	40,554	26,929	17,473	15,293	14,781	(3,334)	10,617	12,362	(6,619)	9,012
Total primary government general revenues, special item, and transfers	$ 771,891	$ 680,534	$ 550,100	$ 442,181	$ 396,282	$ 366,161	$ 391,134	$ 430,485	$ 462,033	$ 480,592
Change in Net Position										
Governmental activities	$ 271,821	$ 137,081	$ 42,041	$ (40,082)	$ (96,312)	$ (83,051)	$ (75,364)	$ (47,593)	$ 5,749	$ (23,212)
Business-type activities	108,604	84,162	46,459	20,640	21,111	(4,090)	27,607	52,940	32,047	51,229
Total primary government	$ 380,425	$ 221,243	$ 88,500	$ (19,442)	$ (75,201)	$ (87,141)	$ (47,757)	$ 5,347	$ 37,796	$ 28,017

* 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.

** 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)

	2007	2008	2009	2010*	2011	2012	2013	2014	2015	2016
General Fund										
Reserved:										
Advances	$ 65,814	$ 25,947	$ 18,251							
Inventory	462	544	468							
Unreserved, designated for:										
Next fiscal year's expenditures	25,622	20,653	14,870							
Unfunded other post employment benefits	16,437	25,000	25,000							
Roads revolving loan program	-	1,088	9,821							
Road construction grant	10,000	-	1,700							
Unfunded mandates	2,000	3,000	-							
Economic incentives	1,500	-	805							
Economic development	-	25,000	23,350							
Fort Myers Beach transportation loan	1,000	-	-							
SWFAS commitment	2,000	-	-							
Community Corrections Facility	-	10,000	10,000							
Unreserved, undesignated	123,921	163,804	173,933							
Nonspendable				$ 23,948	$ 26,244	$ 14,393	$ 429	$ 409	$ 330	$ 292
Restricted				-	-	2,134	1,853	2,370	2,301	1,562
Committed				8,380	-	10	10	6	6	6
Assigned				26,102	17,945	49,261	14,900	12,565	8,370	7,069
Unassigned				191,112	158,320	81,668	94,308	108,428	126,889	123,980
Total General Fund	$ 248,756	$ 275,036	$ 278,198	$ 249,542	$ 202,509	$ 147,466	$ 111,500	$ 123,778	$ 137,896	$ 132,909
All Other Governmental Funds										
Reserved:										
Advances	$ 189	$ 139	$ 80,909							
Inventory	2,321	1,855	2,647							
Debt service	28,041	26,160	25,433							
Unreserved, designated for:										
Next fiscal year's expenditures	303,854	274,702	223,136							
Unfunded other post employment benefits	4,281	-	-							
Conservation 2020	14,628	-	-							
Bequests	1,374	1,418	1,156							
Hurricane contingency	-	-	-							
Debt service	4,371	5,038	1,521							
Unreserved, undesignated, reported in:										
Special revenue funds	206,245	235,502	56,871							
Capital projects funds	109,944	79,663	101,383							
Nonspendable				$ 76,176	$ 9,531	$ 11,368	$ 2,385	$ 2,936	$ 2,652	$ 2,532
Restricted				63,101	176,483	159,671	183,519	160,719	196,343	223,656
Committed				362,017	257,306	224,909	211,770	201,066	197,322	210,498
Assigned				196	4,703	2,928	3,209	3,300	3,487	4,161
Unassigned				(75,169)	(16,313)	(22,160)	(11)	-	-	-
Total All Other Governmental Funds	$ 675,248	$ 624,477	$ 493,056	$ 426,321	$ 431,710	$ 376,716	$ 400,872	$ 368,021	$ 399,804	$ 440,847

* 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)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	$ 528,362	$ 526,015	$ 460,133	$ 367,597	$ 324,257	$ 317,463	$ 319,103	$ 351,952	$ 378,631	$ 394,357
Licenses and permits	11,760	5,415	4,257	6,036	6,288	6,497	7,822	9,271	11,148	9,233
Intergovernmental	107,328	90,618	87,950	108,713	102,901	103,056	97,298	89,852	95,530	101,013
Charges for services	97,994	92,123	87,878	75,560	74,490	66,328	74,847	79,844	81,194	88,982
Fines and forfeitures	2,236	2,073	1,393	1,404	1,087	1,311	1,374	1,561	1,529	1,545
Impact fees	39,671	14,769	7,003	3,123	1,892	3,446	2,587	2,743	3,759	5,262
Special assessments	2,075	2,024	1,515	2,015	1,493	1,447	1,651	1,360	2,261	1,241
Miscellaneous	91,788	59,019	34,034	21,261	16,517	11,394	14,135	15,985	16,531	14,199
Total revenues	881,214	792,056	684,163	585,709	528,925	510,942	518,817	552,568	590,583	615,832
Expenditures										
Current										
General government	142,153	161,143	181,728	143,296	136,124	132,248	132,932	130,328	137,077	143,421
Public safety	217,040	236,717	228,742	214,989	210,923	195,541	193,533	199,492	205,645	218,168
Physical environment	24,618	13,698	15,351	11,745	12,649	13,968	14,321	18,913	12,184	10,770
Transportation	49,940	44,826	51,459	41,804	35,354	33,800	34,509	32,644	33,609	33,938
Economic environment	23,299	25,629	25,190	35,194	33,770	30,539	24,433	25,095	26,619	27,672
Human services	22,291	24,382	24,804	26,144	26,193	26,690	20,355	20,144	20,052	21,055
Culture and recreation	67,007	65,381	60,737	55,317	53,817	55,032	56,050	59,350	64,098	63,220
Capital outlay	241,054	199,458	182,787	130,446	108,952	87,692	60,314	55,748	31,064	41,222
Debt service										
Principal retirement	20,567	24,008	20,283	19,365	25,581	17,702	15,432	9,741	15,766	10,823
Interest and fiscal charges	13,954	14,770	11,693	10,827	12,805	19,852	20,037	13,068	13,223	11,573
Bond issuance costs	1,031	-	-	297	548	-	774	49	364	-
Total expenditures	822,954	810,012	802,774	689,424	656,716	613,064	572,690	564,572	559,701	581,862
Excess (deficiencies) of revenues over (under) expenditures	58,260	(17,956)	(118,611)	(103,715)	(127,791)	(102,122)	(53,873)	(12,004)	30,882	33,970
Other Financing Sources (Uses)										
Transfers in	142,010	136,352	297,958	131,163	244,570	112,730	221,138	90,650	165,590	113,737
Transfers out	(154,103)	(146,090)	(308,062)	(141,638)	(239,126)	(121,486)	(221,171)	(99,030)	(153,267)	(116,820)
Capital lease proceeds	-	-	-	-	-	-	-	-	383	5,169
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Bond premium	-	-	-	-	55	-	-	-	8,399	-
Proceeds from long-term debt	70,325	3,203	456	18,798	88,218	841	134,399	14,483	50,625	-
Payments to refunding escrow agent	-	-	-	-	(7,570)	-	(92,303)	(12,518)	(56,711)	-
Total other financing sources (uses)	58,232	(6,535)	(9,648)	8,323	86,147	(7,915)	42,063	(6,415)	15,019	2,086
Net change in fund balances	$ 116,492	$ (24,491)	$ (128,259)	$ (95,392)	$ (41,644)	$ (110,037)	$ (11,810)	$ (18,419)	$ 45,901	$ 36,056
Debt service as a percentage of noncapital expenditures[1]	5.9%	6.4%	5.2%	5.4%	7.0%	7.1%	6.9%	4.5%	5.5%	4.1%

[1] 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			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]
	Residential Property	Commercial Property	Other						
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%
2015	46,907,208	7,805,176	642,067	3,103,287	20,663,672	37,794,066	26.1231	75,876,824	77.04%
2016	51,150,460	7,689,622	679,027	3,125,423	23,821,441	38,823,091	26.1559	83,340,551	75.17%

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

			2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Lee County	County wide	Operating millage	3.5216	3.6506	3.6506	3.6506	3.6506	3.6506	3.6506	4.1506	4.1506	4.1506
		Capital improvements millage	0.9536	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.0000	0.0000	0.0000
		Total Lee Countywide millage	4.4752	4.1506	4.1506	4.1506	4.1506	4.1506	4.1506	4.1506	4.1506	4.1506
	Non - Countywide	MSTU (Unincorporated)	0.9300	0.8398	0.8398	0.8398	0.8398	0.8398	0.8398	0.8398	0.8398	0.8398
		Lee County Library	0.4085	0.3792	0.2844	0.2844	0.3383	0.3541	0.3541	0.5956	0.5956	0.5956
		All Hazards Protection Fund	0.0733	0.0693	0.0693	0.0693	0.0693	0.0693	0.0693	0.0693	0.0693	0.0693
		Total Lee Non-Countywide millage	1.4118	1.2883	1.1935	1.1935	1.2474	1.2632	1.2632	1.5047	1.5047	1.5047
		Total Lee County millage	5.8870	5.4389	5.3441	5.3441	5.3980	5.4138	5.4138	5.6553	5.6553	5.6553
		School District	7.0120	6.9600	6.8680	7.5080	8.0150	7.5840	7.5840	7.5980	7.4160	7.2850
Municipalities	Cape Coral	Operating millage	4.8787	4.7698	4.7698	7.9702	7.9702	7.9570	7.9570	7.7070	7.7070	6.9570
		Debt service millage	0.0627	0.0627	0.0627	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
		Total Cape Coral millage	4.9414	4.8325	4.8325	7.9702	7.9702	7.9570	7.9570	7.7070	7.7070	6.9570
	Sanibel	Operating millage	2.5000	2.1966	2.1561	2.1561	2.1561	2.1000	2.1000	2.0861	1.9995	1.9139
		Debt service millage	0.3983	0.1467	0.4199	0.4589	0.4347	0.4570	0.4570	0.4446	0.4150	0.3966
		Total Sanibel millage	2.8983	2.3433	2.5760	2.6150	2.5908	2.5570	2.5570	2.5307	2.4145	2.3105
	Other	Fort Myers	6.8000	6.2560	7.1634	7.4000	8.4000	8.7760	8.7760	8.7760	8.7760	8.7760
		Fort Myers Beach	0.6096	0.6053	0.7093	0.8187	0.9144	0.7687	0.7687	0.7530	0.7530	0.8000
		Bonita Springs	0.7919	0.7244	0.8273	0.8273	0.8273	0.8173	0.8173	0.8173	0.8173	0.8173
		Estero[4]										0.8398
		Total municipalities millage	15.2493	14.0371	15.2812	18.8039	19.8754	20.0587	20.0587	19.7667	19.6505	20.5006
	Lee County Special Districts	South Florida Water Management Dist.	0.6970	0.6240	0.6240	0.6240	0.6240	0.4289	0.4289	0.4110	0.3842	0.3551
		Lee County Hyacinth Control	0.0223	0.0214	0.0214	0.0277	0.0310	0.0298	0.0298	0.0291	0.0277	0.0263
		Lee County Mosquito Control	0.1695	0.1636	0.1636	0.2132	0.2388	0.2300	0.2300	0.1113	0.2397	0.2397
		West Coast Inland Waterway	0.0400	0.0394	0.0394	0.0394	0.0394	0.0394	0.0394	0.0394	0.0394	0.0394
		Total special districts millage	0.9288	0.8484	0.8484	0.9043	0.9332	0.7281	0.7281	0.5908	0.6910	0.6605
		Other special districts[1]	.0462-6.000	.0245-3.000	.0245-3.4500	.0152-3.5000	.0310-3.5000	.0088-4.7000	.0088-4.7000	.0076-4.5000	.0585-4.5000	.0549-4.0000
		Total direct and overlapping rates[2]	29.0771	27.2844	28.3417	32.5603	34.2216	33.7846	33.7846	33.6108	33.4128	34.1014

[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.

[4] The Village of Estero was incorporated in December 2014. Their first property tax assessment was in 2016.

Source: Lee County Budget Office

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

	2016			2007		
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	$ 172,093	1	0.289%			
Christian & Missionary Alliance, Inc.	118,381	2	0.199%	$ 167,879	1	0.196%
Gulf Coast Town Center CMBS	99,239	3	0.167%			
Miromar Outlet West LLC	95,655	4	0.161%			
Edison Mall LLC	81,699	5	0.137%	88,742	6	0.103%
Bell Tower Shops LLC	64,084	6	0.108%	63,059	10	0.073%
International Capital Investments	54,389	7	0.091%			
Del Tura Golf and Country Club	52,818	8	0.089%			
Lennar Homes LLC	49,283	9	0.083%			
Bonita Springs Retirement Village	48,741	10	0.082%			
K Hovnanian First Homes LLC				131,527	2	0.153%
Centex Homes				125,742	3	0.147%
Thieman Enterprises LLC				113,959	4	0.133%
Bay Colony Gateway, Inc.				98,210	5	0.114%
Beach Road Development LP				85,453	7	0.100%
Adams Homes of NW Florida Inc				70,489	8	0.082%
Long Bay Partners LLC				63,468	9	0.074%
Total	$ 836,382		1.406%	$ 1,008,528		1.175%

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
2007	2006	$ 479,590	$ 460,870	96.10%	$ 229	$ 461,099	96.14%
2008	2007	478,895	458,933	95.83%	1,313	460,246	96.11%
2009	2008	413,173	394,828	95.56%	1,778	396,606	95.99%
2010	2009	316,752	302,267	95.43%	1,106	303,373	95.78%
2011	2010	274,268	260,862	95.11%	734	261,596	95.38%
2012	2011	262,901	251,665	95.73%	566	252,231	95.94%
2013	2012	260,982	250,828	96.11%	197	251,025	96.18%
2014	2013	280,806	270,156	96.21%	129	270,285	96.25%
2015	2014	299,665	288,114	96.15%	51	288,165	96.16%
2016	2015	316,672	304,630	96.20%		304,630	96.20%

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]	Commercial Paper	Notes	Capital Leases
2007	$ 224,767	$ 36,261	$ 6,523	$ 10,805	$ -	$ 278,356	0.24%	0.45	$ 2,800	$ 3,006	$ -
2008	213,328	30,950	5,978	6,125	-	256,381	0.20%	0.41	640	4,846	-
2009	201,368	25,412	5,411	5,020	-	237,211	0.21%	0.39	-	4,699	-
2010	188,848	20,747	4,825	3,855	-	218,275	0.26%	0.35	-	22,917	-
2011	168,172	19,211	85,431	2,635	-	275,449	0.39%	0.44	-	20,710	-
2012	161,424	17,621	84,655	1,350	-	265,050	0.39%	0.42	-	14,076	-
2013	65,145	15,642	125,731	-	55,632	262,150	0.38%	0.41	-	42,065	-
2014	62,473	1,765	124,903	-	51,876	241,017	0.33%	0.37	-	54,758	-
2015	4,697	-	123,989	-	104,609	233,295	0.31%	0.35	-	49,506	1,225
2016	2,390	-	122,967	-	99,158	224,515	0.27%	0.33	-	46,064	5,885

	Business-Type Activities Debt									
Fiscal Year	Port Authority Revenue Bonds	Solid Waste Revenue Bonds	Transportation Facilities Revenue Bonds	Water and Wastewater Revenue Bonds	Commercial Paper	Notes	Capital Leases	Total Primary Government[4]	Percentage of Personal Income[3]	Per Capita[3]
2007	$ 383,174	$ 190,730	$ 192,566	$ 176,672	$ 32,712	37,002	$ 30	$ 1,297,048	5.35%	2.11
2008	375,548	178,416	186,518	172,442	31,878	36,823	-	1,243,492	4.76%	1.99
2009	367,457	165,099	180,769	168,008	20,500	47,918	-	1,191,661	4.83%	1.94
2010	352,077	151,051	174,709	163,359	-	58,825	-	1,141,213	4.74%	1.83
2011	324,625	136,231	168,281	158,811	-	82,121	-	1,166,228	4.32%	1.87
2012	317,352	86,552	131,400	153,747	-	104,934	-	1,073,111	3.93%	1.70
2013	319,686	86,379	134,254	207,878	-	92,600	-	1,145,012	4.05%	1.79
2014	310,772	86,251	129,907	203,100	-	83,913	-	1,109,718	4.00%	1.72
2015	300,598	81,393	123,632	195,813	-	64,419	298	1,050,179	3.59%	1.58
2016	290,836	76,994	118,159	187,482	-	54,633	2,022	1,006,590	3.22%	1.48

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 2006 through 2015. 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						Port Authority Line of Credit					
Fiscal Year	Passenger Facility Charge Revenues	Less: Operating Expenses[1]	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage	Page Field General Aviation Airport Revenues	Less: Operating Expenses[1]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2007	$ 16,858	n/a	$ 16,858	$ 2,185	$ 1,830	4.20	$ 12,334 [2]	$ 7,996	$ 4,338	$ 4,338 [2]	$ 400	0.92
2008	15,478	n/a	15,478	2,285	1,727	3.86	8,904	8,678	226	295	164	0.49
2009	14,942	n/a	14,942	2,390	1,618	3.73	6,485	6,325	160	305	71	0.43
2010	15,156	n/a	15,156	10,060 [6]	1,603	1.30	7,070	6,732	338	325	43	0.92
2011	15,581	n/a	15,581	2,620 [7]	1,000	4.30	7,851	7,786	65	340	39	0.17
2012	14,775	n/a	14,775	3,060	303	4.39	8,831	8,508	323	355	36	0.83
2013	15,197	n/a	15,197	3,120	245	4.52	9,176	9,331	(155)	375	32	-0.38
2014	15,771	n/a	15,771	3,180	185	4.69	9,262	9,721	(459)	395	27	-1.09
2015	16,251	n/a	16,251	6,540 [8]	21	2.48	11,605 [9]	8,875	2,730	3,042 [9]	4	0.90
2016	-	n/a	-	-	-	0.00	-	-	-	-	-	0.00

	Port Authority Revenue Bonds						Solid Waste System Revenue Bonds					
Fiscal Year	Airport Revenues[4]	Less: Operating Expenses[3]	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage	Solid Waste System Revenues[5]	Less: Operating Expenses[1]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2007	$ 86,661	$ 51,679	$ 34,982	$ 5,670	$ 20,196	1.35	$ 88,584	$ 48,793	$ 39,791	$ 12,040	$ 9,473	1.85
2008	88,587	54,941	33,646	5,855	19,972	1.30	89,490	54,022	35,468	12,620	9,521	1.60
2009	84,763	52,175	32,588	6,125	19,611	1.27	87,919	56,530	31,389	13,590	8,846	1.40
2010	85,260	49,952	35,308	6,350	21,217	1.28	89,713	57,273	32,440	14,285	8,129	1.45
2011	84,578	49,921	34,657	7,660	17,146	1.40	119,737	57,371	62,366	49,385	7,549	1.10
2012	81,934	49,372	32,562	7,895	17,654	1.27	77,675	58,358	19,317	95	4,292	4.40
2013	86,659	51,623	35,036	8,470	16,459	1.41	70,409	62,541	7,868	100	4,288	1.79
2014	89,182	54,877	34,305	8,900	16,039	1.38	73,311	62,013	11,298	4,830	4,284	1.24
2015	92,247	55,872	36,375	9,285	15,552	1.46	76,369	67,243	9,126	5,080	4,046	1.00
2016	94,214	59,144	35,070	9,750	14,939	1.42	79,957	69,042	10,915	-	1,896 [10]	5.76

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 does not 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.

[8] Additional principal payment of $3,300,000 was made in 2015 with a transfer from the PFC capital fund to payoff the loan. The coverage without the payoff would have been 4.85.

[9] Additional principal payment of $2,627,000 was made with a transfer from the Airport discretionary fund to payoff the loan in November 2014. The amount in the Revenues column includes the transferred amount.

[10] Debt service only includes the April 2016 interest payment as the Solid Waste System Revenue Bonds, Series 2006A were refunded before September 30, 2016 and no longer outstanding under the bond resolutions. No debt service was due for fiscal year 2016 on the Solid Waste System Revenue Refunding Bonds, Series 2016.

(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					
Fiscal Year	Water and Wastewater Revenues[1]	Less: Operating Expenses[2,5]	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage	Transportation Facilities Revenues[3]	Less: Operating Expenses[2,5]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
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
2015	107,443	52,634 [4]	54,809	6,190	8,863	3.64	44,113	8,906 [4]	35,207	9,325	6,027	2.29
2016	109,165	54,777 [4]	54,388	7,195	8,622	3.44	46,008	8,910 [4]	37,098	8,980	5,250	2.61

	Florida Department of Environmental Protection Loans					
Fiscal Year	Water and Wastewater Revenues[1]	Less: Operating Expenses[2,5]	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
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
2015	107,443	52,634 [4]	54,809	3,118	1,307	12.39
2016	109,165	54,777 [4]	54,388	3,203	1,222	12.29

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.

[4] As defined by bond resolutions- current operating expenses do not include unfunded OPEB and pension expenses.

[5] Fiscal years 2007 to 2014 - Operating expenses listed include the annual OPEB expenses and is not adjusted for funding.

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
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	26,999,483 [3]	30,363 [3]	45.6	83,771	11.2	10.6	9.1
2012	631,330 [6]	27,328,737 [6]	43,022 [6]	45.7	85,581	8.7 [5]	8.7 [5]	7.8 [5]
2013	638,029	28,292,424 [6]	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
2015	665,845	29,245,506	48,453 [9]	46.2 [8]	92,780	5.1	5.2	5.1
2016	680,578	31,296,442	44,583	46.3	91,222	4.7	4.7	5.0

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 (TPI updated 2015)
[7] Governing.com
[8] edr.state.fl.us
[9] bestplaces.net

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

	2016			2007		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Lee Memorial Health System	11,800	1	3.75%	8,600	2	3.71%
Lee County School District	11,000	2	3.49%	10,930	1	4.72%
Publix Super Markets	5,100	3	1.62%	4,215	3	1.82%
Lee County Administration	4,955	4	1.57%	2,481	4	1.07%
Wal-Mart Corporation	3,146	5	1.00%	2,189	5	0.94%
City of Cape Coral	1,800	6	0.57%	1,948	6	0.84%
Winn Dixie	1,561	7	0.50%			
Lee County Sheriff's Office	1,543	8	0.49%	1,422	7	0.61%
Chico's FAS, Inc.	1,426	9	0.45%			
Florida Gulf Coast University	1,253	10	0.40%	1,040	10	0.45%
U.S. Postal Service			0.00%	1,397	8	0.60%
Bonita Bay Group				1,085	9	0.47%
Total	43,584		13.84%	35,307		15.23%

Source: Lee County Office of Economic Development, Florida Research and Economic Database, and U.S. Bureau of Labor Statistics.

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

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities:										
General government	1,416	1,402	1,426	1,398	1,342	1,312	1,281	1,282	1,288	1,281
Public safety	1,961	1,979	1,942	1,939	1,891	1,884	1,866	1,875	1,914	1,979
Physical environment	90	85	80	78	76	76	73	69	70	69
Transportation	271	252	255	221	221	220	220	212	205	204
Economic environment	66	61	61	63	62	66	65	66	66	67
Human services	67	68	68	70	69	76	75	76	81	81
Culture and recreation	566	517	504	503	512	523	518	523	504	506
Business-type activities:										
Airport	359	355	347	345	343	344	346	351	352	360
Water and wastewater	291	281	281	279	275	275	275	274	274	275
Transit	257	257	257	254	253	253	251	263	267	267
Transportation facilities	114	101	98	95	95	95	95	95	95	94
Solid waste	71	71	72	74	77	83	92	94	98	105
Total	5,529	5,429	5,391	5,319	5,216	5,207	5,157	5,180	5,214	5,288

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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Community Development										
Building permits issued	84,414	36,916	25,513	30,190	29,952	31,316	36,442	41,023	45,421	34,329
Inspections	230,574	88,965	50,391	52,793	50,599	51,820	63,709	74,358	84,505	82,004
Public Safety/EMS [1]										
E-911 calls processed	155,482	162,630	140,409	155,213	160,780	180,597	179,412	182,859	198,072	208,238
Sheriff Department										
Physical arrests	19,887	22,777	18,296	16,945	15,839	14,877	15,018	14,196	10,543	12,006
Traffic tickets	67,885	68,054	50,917	46,309	33,915	31,543	37,859	36,512	31,977	36,251
Natural Resources										
Environmental lab tests performed	106,435	111,392	114,223	122,071	114,405	109,697	117,670	114,744	109,420	115,625
Pollutant storage tanks inspections	932	1,058	944	882	819	738	642	546	495	514
Solid Waste										
Number of business and residential customers [2]	240,874	245,257	246,240	247,024	247,891	248,928	249,480	244,817	253,888	258,891
Volume of solid waste collection (tons per year) [3]	559,484	517,889	467,008	460,413	445,701	452,618	484,255	481,658	507,527	552,818
Volume of recycling collection (tons per year) [4]	53,782	56,355	51,992	51,293	65,494	67,751	84,270	71,788	76,109	79,117
Megawatt hours of electricity sold	222,005	293,805	298,618	306,385	289,391	295,981	289,583	328,479	329,285	333,549
Water and Wastewater										
Water customers	78,961	79,536	80,072	80,642	80,990	81,654	82,411	83,146	83,989	85,020
Wastewater customers	57,535	57,908	58,422	58,572	58,974	59,315	59,789	60,562	61,410	62,294
Meter installations	1,914	630	537	426	395	477	720	1,176	807	1,031
Department of Transportation										
Number of signal and flasher locations maintained	459	472	486	496	494	503	497	509	523	530
Number of streetlights maintained	3,380	4,314	4,358	4,498	4,867	5,140	4,986	5,013	5,104	5,090
Number of driveway and ROW permits issued	3,758	1,071	772	721	769	704	702	810	1,031	1,147
Asphalt road resurfacing (in thousands of tons)	35	47	44	49	55	48	43	37	34	41
Bridges										
Toll paying traffic per year										
Sanibel	2,889,783	2,925,351	2,906,743	2,898,010	2,931,693	2,990,491	3,062,356	3,181,676	3,282,789	3,337,055
Midpoint Memorial [5]	17,571,604	8,347,488	7,096,132	7,081,245	7,023,381	7,364,006	7,432,540	7,674,340	7,975,126	8,268,884
Cape Coral [5]	17,263,048	8,544,776	7,505,751	7,357,701	7,356,888	7,112,276	7,334,694	7,747,127	8,022,636	8,266,891
Transit										
Number of bus passenger trips	3,037,194	3,061,461	3,047,457	3,019,560	3,212,214	3,756,378	4,075,250	3,939,812	3,721,249	3,323,540
Number of bus route miles	418	416	417	417	417	417	550	551	551	538
Port Authority										
Number of enplanements	4,061,936	3,868,588	3,737,339	3,721,375	3,875,313	3,676,953	3,856,646	3,989,316	4,155,189	4,332,997
Number of deplanements	4,009,718	3,826,610	3,719,794	3,659,221	3,792,235	3,600,007	3,751,062	3,896,241	4,062,874	4,245,061
Human Services										
Number of emergency services provided with General										
Fund County Service dollars (mortgage, rent, utilities, etc.)	617	628	744	982	795	836	484	460	390	327
Animal Services										
Officer responses	21,906	24,383	17,273	19,267	14,309	15,633	16,970	15,600	15,029	15,409
Animal placement	3,354	2,767	2,548	3,313	3,259	4,219	4,220	4,286	5,089	5,379
Library										
Cardholders	280,879	302,025	295,181	282,565	295,574	289,858	291,692	294,953	289,398	285,300
Items available for circulation	1,384,045	1,410,281	1,537,777	1,626,960	1,619,836	1,598,513	1,567,872	1,594,355	1,608,459	1,741,312
Total circulation	4,059,126	4,942,611	5,492,287	5,854,151	6,017,639	6,148,573	6,032,045	6,123,207	7,048,435	7,402,890
Parks and Recreation										
Number of public parks maintained	65	65	64	65	65	66	66	67	67	68
Number of public pools maintained	9	9	9	9	9	9	9	9	9	9
Number of public boat ramps maintained	7	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, City of Bonita Springs, and Town of Fort Myers Beach for all fiscal years. Village of Estero added in fiscal year 15.

[3] Total municipal solid waste tons processed and landfilled including incorporated and unincorporated Lee County and Hendry County.

[4] Total tons recycled for incorporated and unincorporated Lee County and Hendry County received at the Lee Recycling Facility.

[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)

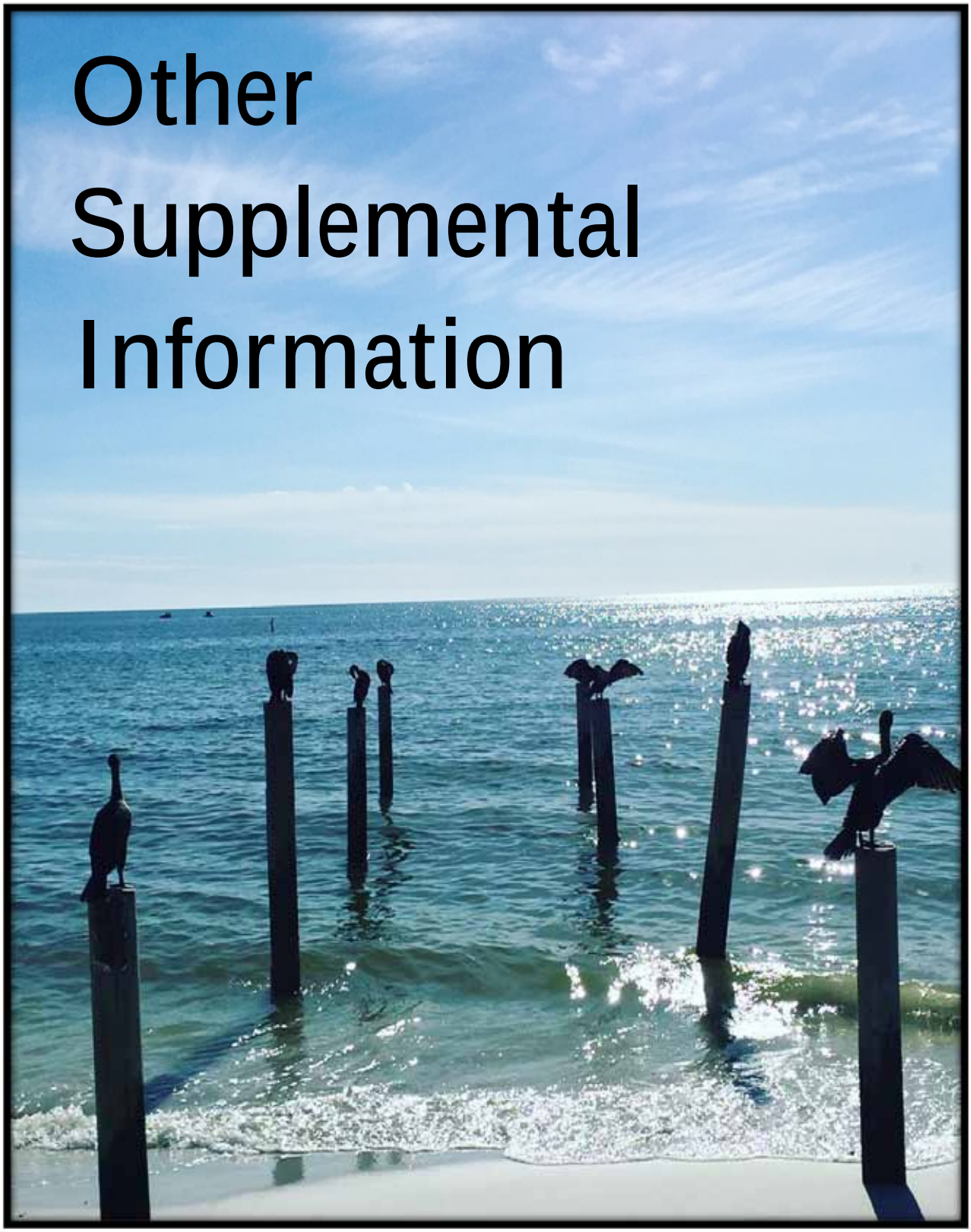
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities										
General government	11,493	12,638	10,943	10,624	10,853	10,407	10,862	10,957	10,739	11,087
Public safety	8,997	9,789	10,196	10,535	10,374	10,085	10,299	10,089	10,072	10,783
Physical environment	505	521	528	531	530	550	552	574	538	519
Transportation	3,360	3,396	3,411	3,559	3,610	3,713	3,805	3,837	3,903	3,939
Economic environment	214	206	224	219	227	237	247	261	252	270
Human services	875	818	877	885	795	647	639	602	589	568
Culture and recreation	4,340	4,182	4,396	4,486	4,489	4,606	4,680	4,865	4,890	4,965
	29,784	31,550	30,575	30,839	30,878	30,245	31,084	31,185	30,983	32,131
Business-type Activities										
Port Authority	2,227	2,262	2,346	2,430	2,516	2,522	2,549	2,552	2,961	3,184
Water and Wastewater	10,800	12,776	13,806	14,691	15,650	16,633	17,285	18,084	19,013	19,993
Transportation Facilities	1,071	984	992	989	1,149	1,149	1,176	1,176	1,235	1,251
Solid Waste	459	482	487	543	596	608	646	665	697	709
Transit	606	631	811	832	867	897	948	963	1,018	1,046
	15,163	17,135	18,442	19,485	20,778	21,809	22,604	23,440	24,924	26,183

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



This page is intentionally blank.

Other Supplemental Information



Lee County, Florida
SUPPLEMENTAL SCHEDULES
TOURIST DEVELOPMENT TAX REVENUE BONDS
September 30, 2016
(unaudited)

(dollars in thousands)

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

Fiscal Year Ended September 30	2011	2012	2013	2014	2015	2016
Tourist Development Tax Revenues (debt portion)	$ 23,981	$ 26,672	$ 28,535	$ 33,197	$ 37,560	$ 39,638
Gross Revenues[1]	300	950	950	950	1,150	1,150
State Funds	n/a	n/a	125	500	500	500
Total Pledged Funds[2][3]	$ 24,281	$ 27,622	$ 29,610	$ 34,647	$ 39,210	$ 41,288
Maximum Annual Debt Service[4] Payable from Pledged Funds	6,273	6,273	8,936	8,936	8,936	8,936
Debt Service Coverage	3.9x	4.4x	3.3x	3.9x	4.4x	4.6x

[1] Includes stadium rental revenue and payments received by the County from JetBlue Airways in connection with the naming rights for JetBlue Park, 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, 2016
(unaudited)

Statement of Historical Collections and Distributions of the General Sales and Use Tax
Fiscal Years Ended June 30, 2007 through June 30, 2016[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
2016-17	[1]	$26,048,900,000	$23,178,900,000	$2,823,300,000	$ -	$22,500,000	$22,000,000	$2,000,000
2015-16	[1]	24,674,300,000	21,957,000,000	2,672,000,000	-	22,500,000	20,800,000	1,800,000
2014-15		23,640,149,815	21,062,698,205	2,533,320,541	-	22,730,562	19,653,846	1,746,662
2013-14		22,127,370,145	19,707,709,643	2,376,389,584	-	23,313,893	18,318,806	1,638,219
2012-13		20,686,734,656	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

[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, 2016
(unaudited)

Pledged Revenues and Debt Service Coverage

	Historical				
Revenues[1]	2012[3]	2013[4]	2014[4]	2015[4]	2016[4]
Ambulance service receipts	$ 20,479,278	$ 19,523,357	$ 21,024,488	$ 19,547,327	$ 21,829,940
Excess county officer fees	7,920,524	7,873,485	7,425,726	9,397,609	9,883,308
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)	815,951	830,888	843,967	874,527	872,686
Sales tax	36,129,946	38,654,071	42,131,369	45,163,659	46,441,231
Investment earnings	588,150	240,693	207,292	549,321	1,035,696
Data processing fees	7,627,844	8,227,104	7,543,309	8,185,726	9,059,916
Sub-Total Pledged Revenues	76,963,943	78,751,848	82,578,401	87,120,419	92,525,027
Maximum Annual Debt Service	18,460,932	16,022,563	16,022,563	15,462,500	15,462,500
Debt Service Coverage	4.17 x	4.92 x	5.15 x	5.63 x	5.98 x
Plus Limited Availability Revenues[2]					
Building and zoning permits and fees	10,197,122	11,489,822	13,041,578	14,623,019	16,217,284
Pledged gas taxes					
Constitutional gas tax	5,445,520	5,420,374	5,699,910	5,955,200	6,295,244
County (7th cent) gas tax	2,357,848	2,393,180	2,458,537	2,610,839	2,782,166
Ninth Cent (voted) gas tax	2,914,997	3,059,332	3,161,526	3,438,654	3,634,098
Total Pledged Revenues	$ 97,879,430	$ 101,114,556	$ 106,939,952	$ 113,748,131	$ 121,453,819
Maximum Annual Debt Service	$ 18,460,932	$ 16,022,563	$ 16,022,563	$ 15,462,500	$ 15,462,500
Debt Service Coverage	5.30 x	6.31 x	6.67 x	7.36 x	7.85 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 2015 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, 2016
(unaudited)

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

Fiscal Year Ended September 30	2012	2013	2014	2015	2016
Taxes:					
Local communications services tax	$ 9,561	$ 9,559	$ 9,606	$ 9,268	$ 8,705
FPL electrical franchise fees	8,013	8,355	13,096	13,315	11,241
LCEC electrical franchise fees			3,234	6,161	6,128
Intergovernmental Revenues:					
State revenue sharing	12,174	12,821	13,807	14,642	15,380
Local half cent sales tax	36,130	38,654	42,131	45,164	46,441
Mobile home/insurance/alcohol beverage licenses	816	831	844	875	873
Racing tax	223	223	223	223	223
Charges for Services:					
Ambulance service receipts [2]	20,479	19,523	21,024	19,547	21,830
Excess county officer fees	7,921	7,873	7,544	9,086	10,023
Licenses and Permits:					
Occupational licenses	688	703	702	692	722
Miscellaneous:					
Investment earnings [3]	588	241	207	549	1,036
Total	$ 96,593	$ 98,783	$ 112,418	$ 119,522	$ 122,602

[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 or 2015 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 or 2015 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, 2016
(unaudited)

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

	2012	2013	2014	2015	2016
REVENUES					
Taxes	$ 317,463	$ 319,103	$ 351,952	$ 378,631	$ 394,357
Licenses and permits	6,497	7,822	9,271	11,148	9,233
Intergovernmental	103,056	97,298	89,852	95,530	101,013
Charges for services	66,328	74,847	80,372	81,194	88,982
Fines and forfeitures	1,311	1,374	1,561	1,529	1,545
Impact fees	3,446	2,587	2,743	3,759	5,262
Special assessments	1,447	1,651	1,360	2,261	1,241
Miscellaneous	11,394	14,135	15,457	16,531	14,199
Total revenues	510,942	518,817	552,568	590,583	615,832
EXPENDITURES					
Current					
General government	132,248	132,932	130,328	137,077	143,421
Public safety	195,541	193,533	199,492	205,645	218,168
Physical environment	13,968	14,321	18,913	12,184	10,770
Transportation	33,800	34,509	32,644	33,609	33,938
Economic environment	30,539	24,433	25,095	26,619	27,672
Human services	26,690	20,355	20,144	20,052	21,055
Culture and recreation	55,032	56,050	59,350	64,098	63,220
Capital outlay					
General government	16,358	8,269	5,721	2,596	4,406
Public safety	7,503	5,762	2,848	6,513	15,539
Physical environment	7,427	2,472	1,217	1,192	729
Transportation	29,785	16,554	6,265	6,284	17,401
Economic environment	250	871	1,194	10	445
Human services	1	2	8	75	5
Culture and recreation	26,368	26,384	38,495	14,394	2,697
Debt service					
Principal retirement	17,702	15,432	9,741	15,766	10,823
Interest and fiscal charges	19,852	20,037	13,068	13,223	11,573
Bond issuance costs	-	774	49	364	-
Total expenditures	613,064	572,690	564,572	559,701	581,862
Excess (deficiencies) of revenues over (under) expenditures	(102,122)	(53,873)	(12,004)	30,882	33,970
OTHER FINANCING SOURCES AND (USES)					
Transfers in	112,730	221,138	90,650	165,590	113,737
Transfers out	(121,486)	(221,171)	(99,030)	(153,267)	(116,820)
Capital lease proceeds	-	-	-	383	5,169
Bond premium	-	8,427	-	8,399	-
Debt issuance	841	42,047	1,893	1,985	-
Issuance of refunding debt	-	83,925	12,590	48,640	-
Payments to refunded bonds escrow agent	-	(92,303)	(12,518)	(56,711)	-
Total other financing sources and (uses)	(7,915)	42,063	(6,415)	15,019	2,086
Net change in fund balances	(110,037)	(11,810)	(18,419)	45,901	36,056
Fund balances - beginning	634,219	524,182	510,218 *	491,799	537,700
Fund balances - ending	$ 524,182	$ 512,372 *	$ 491,799	$ 537,700	$ 573,756

* 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, 2016
(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)
2007	$ 6,874	7.6%	2007	303,698,720	14.8%
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%
2015	7,096	7.3%	2015	302,743,567	7.1%
2016	7,116	0.3%	2016	323,232,410	6.8%

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
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
2015	7,096	1,905	3.72
2016	7,116	2,189	3.25

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	1.17%
City of Bonita Springs	4.54%
Village of Estero	2.54%
Lee County	47.80%
	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	$ 9.15	per unit	1 - 6,000	$ 3.27
			6,001 - 12,000	$ 4.09
			12,001 - 18,000	$ 4.91
			18,001 and above	$ 6.54
Multi – family	$ 7.32	per unit / lot	1 - 4,800	$ 3.27
Per ERU			4,800 - 9,600	$ 4.09
(i.e. 2 units = 9,600 Gal)			9,601 - 14,400	$ 4.91
			14,401 and above	$ 6.54
Recreational vehicle	$ 3.66	per unit / lot	1 - 2,400	$ 3.27
(i.e. 2 units = 9,600 Gal)			2,401 - 4,800	$ 4.09
			4,801 - 7,200	$ 4.91
			7,201 and above	$ 6.54
Mobile Home	$ 7.32	per unit / lot	1 - 6,000	$ 3.27
			6,001 - 12,000	$ 4.09
			12,001 - 18,000	$ 4.91
			18,001 and above	$ 6.54

Each residential service account will be charged a monthly administrative fee of $3.44 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			ERU Ratio			
5/8"	$	12.59	1.0	1 - 6,000	$	3.27
3/4"	$	17.17	1.5	6,001 - 12,000	$	4.09
1"	$	26.32	2.5	12,001 - 18,000	$	4.91
1½"	$	49.19	5.0	18,001 and above	$	6.54
2"	$	76.64	8.0			
3"	$	149.84	16.0	Non-irrigation class		
4"	$	232.19	25.0	Per 1,000	$	3.44
6"	$	460.94	50.0			
8"	$	735.44	80.0	Irrigation class		
10"	$	1,330.19	145.0	1 - 6,000	$	4.09
				6,001 - 12,000	$	4.91
				12,001 and over	$	6.54

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, 2016
(Unaudited)

Monthly Wastewater Rates

Customer Classification

Residential Service	Monthly Service Charge	User Charge Per 1,000 Gallons	Unmetered User Charge
Single – family	$ 17.02 per unit/lot	$ 5.85	$26.33 per unit
Multi – family	$ 13.61 per unit/lot	$ 5.85	$21.06 per unit/lot
Recreational vehicle	$ 6.81 per unit/lot	$ 5.85	$10.53 per unit/lot
Mobile Home	$ 13.61 per unit/lot	$ 5.85	$21.06 per unit/lot

Each residential service account shall be charged a monthly administrative charge of $3.44 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"	$ 20.45	$ 5.85
3/4"	$ 28.96	$ 5.85
1"	$ 45.98	$ 5.85
1½"	$ 88.53	$ 5.85
2"	$ 139.59	$ 5.85
3"	$ 275.75	$ 5.85
4"	$ 428.93	$ 5.85
6"	$ 854.43	$ 5.85
8"	$ 1,365.03	$ 5.85
10"	$ 2,471.33	$ 5.85

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 for residential service 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, 2016

(unaudited)

Historical Revenues, Expenses, and Debt Service Coverage

(dollars in thousands)

	2012	2013	2014	2015	2016
Water and wastewater sales revenues	$89,180	$95,675	$100,623	$104,618	$105,891
Other operating revenue[1]	1,811	2,085	2,117	2,169	2,143
Total operating revenues	90,991	97,760	102,740	106,787	108,034
Operating expenses[2] [7]	55,407	55,286	55,567	52,634	54,777
Net operating revenue	35,584	42,474	47,173	54,153	53,257
Interest income[3]	311	294	155	656	1,131
Net available revenues	35,895	42,768	47,328	54,809	54,388
Net available revenues after other transfers	35,895	42,768	47,328	54,809	54,388
Connection fee revenues[4]	2,879	4,818	6,962	14,465	10,514
Net revenues and connection fees	38,774	47,586	54,290	69,274	64,902
Senior lien debt service	12,769	15,477	11,426	15,053	15,817
Senior lien debt service coverage:					
Without pledged connection fees	2.81	2.76	4.14	3.64	3.44
With pledged connection fees	3.04	3.07	4.75	4.60	4.10
Other debt service requirements[5]	5,139	5,146	4,425	4,425	4,425
Net available revenues and other funds received for capital improvements and other purposes[6]	$17,987	$22,145	$31,477	$35,331	$34,146

(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.

(7) Persuant to the County's Bond Resolution, operating expenses do not include unfunded OPEB and pension expenses. Years 2012 to 2014 include the annual OPEB cost in the operating expenses and is not adjusted for funding.

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 Customer Accounts and Sales Statistics

	Retail Customers						
Fiscal Year	Average Accounts	Water Sales (000s Gallons)	Monthly Use per Account (Gallons)	Wholesale Water Sales (000s Gallons)	Total Water Sales (000s Gallons)	Treated/Purchased Finished Water (000s 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 [1]	75,778	7,414,916	8,154	766,239	8,181,155	8,719,119	23.89
2010 [1]	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	78,542	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
2015	79,935	7,319,779	7,631	693,914	8,013,693	8,512,833	23.34
2016	81,250	7,351,730	7,540	743,435	8,095,165	8,710,483	23.81

[1] 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

	Retail Customers						
Fiscal Year	Average Accounts	Billed Flows (000s Gallons)	Monthly Flow per Account (Gallons)	Wholesale Billed Flows (000s Gallons)	Total Billed Sales (000s Gallons)	Treated Waste-Water Flows (000s 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 [1]	53,873	5,166,383	7,992	247,458	5,413,841	5,602,042	15.35
2010 [1]	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	5,883,559	16.12
2015	55,302	5,356,006	8,071	218,764	5,574,770	5,749,641	15.80
2016	55,915	5,349,742	7,973	214,637	5,564,379	5,938,595	16.23

[1] The decline in Wastewater 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

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEM
September 30, 2016
(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
Gulf Coast Town Center	Commercial	10"	Water/Sewer	$ 706,806	0.69%
Landings Env. Wrm. Assoc. Inc.	Multifamily	6"	Water/Sewer	691,004	0.67%
Lee Memorial Health System - Gulf Coast Hospital	Commercial	10"	Water/Sewer	548,650	0.53%
Shell Point Village	Commercial	8"	Water/Sewer	396,014	0.38%
Jamaica Bay Assoc. LDT	Multifamily	8"	Water	350,890	0.34%
Health Park Medical Center	Commercial	6"	Water/Sewer	333,122	0.32%
Lee County Port Authority - International Airport	Commercial	6"	Water/Sewer	293,264	0.28%
Indian Creek Park	Multifamily	6"	Water/Sewer	288,926	0.28%
Lee Memorial Health System - Health Park	Commercial	2"	Water/Sewer	283,765	0.28%
ORE-IDA Foods, Inc.	Commercial	3"	Water/Sewer	265,055	0.26%
				$ 4,157,496	4.03%

Source: Lee County Utilities Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY SOLID WASTE SYSTEM
September 30, 2016
(Unaudited)

System Historical Operating Results and Indenture Rate Covenant Compliance

Description	Fiscal Year 2016
Collection Assessment Revenues	$ 24,157,268
Assessment, MSTU, and Tip Fee Revenues	34,690,357
WTE Facility - Gross Electric Sales [1]	13,590,798
Recycling Revenues	1,609,353
Other Miscellaneous Revenue [2]	5,908,964
Rate Stabilization Fund Transfers	-
Gross Revenues	79,956,740
Less Operating Expenses [3]	69,042,206
Net Revenues	10,914,534
Net Position[4]	42,608,606
Net Revenues and Net Position	$ 53,523,140
Annual Debt Service [5] [6]	
Series 2006A Bonds	$ 1,896,134
Series 2016 Bonds	-
Total Annual Debt Service	$ 1,896,134
Rate Covenant Test	
Test A:	
Net Revenues and Net Position	$ 53,523,140
Annual Debt Service	1,896,134
Annual Debt Service Coverage	28.23
Minimum Required Debt Service Coverage	1.20
AND	
Test B:	
Part 1	
Net Revenues	$ 10,914,534
Annual Debt Service	1,896,134
Annual Debt Service Coverage	5.76
Minimum Required Coverage	1.00
Part 2	
Net Revenues Less Debt Service	$ 9,018,400
Required Deposits [7]	-
Net After Required Deposits	$ 9,018,400

[1] Amounts show reflect gross electric sales revenues; pursuant to agreement the County is required to remit 10% of gross electric revenues to the Operator.

[2] Amounts shown reflect other operating revenues including franchise fee revenues retained by the County, interest income of cash balances, sale of recovered materials from operation of the C&D recycling facility, advanced disposal fees, electric maintenance revenues, contractual reimbursements, sale of ferrous and non-ferrous metals and other miscellaneous revenues. Amounts shown are exclusive of gains on sale of system assets and FMV (fair market value) adjustments.

[3] Amounts shown are exclusive of depreciation, amortization, renewal and replacement expenses, OPEB and pension liabilities and landfill closure and post-closure expenses.

[4] Amount shown reflect the Net Position of the System Reserves Fund at September 30th.

[5] Amounts shown reflect the monthly deposits to the Debt Service Fund for upcoming due (i.e. the accrued debt service).

[6] The Series 2006A debt payment represents the April 2016 interest payment only. The Series 2006A bonds were defeased in September 2016. No principal and interest payments were due on the Series 2016 bonds in FY16.

[7] No required payments were identified since: a) the Debt Service Reserve Account Requirement was met through a Debt Service Reserve Account in the amount of $7.7M and b) the Renewal and Replacement Fund Requirement was met through the maintenance of a $1.5 million cash deposit held within the Renewal and Replacement Fund.

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY SOLID WASTE SYSTEM
September 30, 2016
(Unaudited)

Summary of Historical Charges

Description	Fiscal Year 2015	Fiscal Year 2016	Adopted Fiscal Year 2017[6]
Assessments:			
Collection (Avg. Areas 1-5) [1]	$142.15	$144.22	$144.60
Residential Credit	(5.72)	0.00	$0.00
Disposal MSW	24.00	25.40	29.96
Disposal Yard Waste	5.44	5.76	5.76
Disposal Facility Assessment Charge	4.80	9.92	13.32
Surcharges	3.46	0.44	0.00
Billing Fee	2.37	2.40	2.40
Early Prepayment Gross Up (4%) (Avg. Areas 1-5) [1]	0.00	7.84	8.18
Gross Assessment Average for Areas 1-5 [2]	$176.50	$195.98	$204.22
Assessment Paid in February = 1% Discount	$174.74	$194.01	$202.17
Assessment Paid in January = 2% Discount	172.97	192.05	$200.13
Assessment Paid in December = 3% Discount	171.21	190.09	$198.09
Assessment Paid in November = 4% Discount	169.44	188.13	$196.05
Tip Fees per Ton by Waste Type:			
MSW w/o Surcharges	$30.00	$31.75	$37.45
MSW w/ Surcharges [3]	34.33	32.30	37.45
Horticulture / Yard Waste	22.65	24.00	24.00
C&DD	28.00	31.75	31.75
Class III	34.33	31.75	31.75
Tires	55.00	80.00	80.00
Surcharges per MSW Ton [3][4]	$4.33	$0.55	$0.00
Disposal Facility Assessment per Ton [5]	$6.00	$12.40	$17.34

[1] Amounts shown reflect the average fee charged for the primary franchise collection Areas 1-5.

[2] Reflects gross assessments before early prepayment discounts as allowed by F.S. Chapter 197.

[3] Unincorporated waste generated by Commercial and Multi-Family customers are charged a gate fee per ton including the addition of the base tip fee plus applicable surcharges per ton for MSW disposal.

[4] Amounts shown are not charged to municipal customers with exception of the City of Bonita Springs, the Town of Fort Myers Beach and the Village of Estero for which the County provides collection services.

[5] Presented for informational purposes only since the disposal facility assessment charge is charged to all MSW customers by assessment, with exception to Hendry County customers.

[6] The County approved the Fiscal Year 2017 charges for service on June 7, 2016 pursuant to Resolution 16-06-06.

Lee County, Florida

SUPPLEMENTAL SCHEDULES

LEE COUNTY SOLID WASTE SYSTEM

September 30, 2016

(Unaudited)

Summary of Historical Inbound Waste Deliveries (Tons) by Type of Waste [1]

	Historical Period				
Description	**2012**	**2013**	**2014**	**2015**	**2016**
MSW / Residue [2]	457,863	482,761	493,232	520,960	543,897
C&D / Class III	67,326	85,079	72,987	68,481	72,954
Yard Waste	92,938	96,892	98,643	103,337	104,070
Sludge (Wet Tons)	45,199	49,450	51,381	57,688	63,972
Tires	4,549	5,863	6,574	7,411	4,369
Other [3]	1,027	2,090	1,269	1,578	4,625
Recycling [4]	63,156	78,535	65,762	73,110	71,583
Total	**732,058**	**800,670**	**789,848**	**832,565**	**865,470**

[1] Amounts shown exclude ash residue since such waste is not considered an inbound waste to the system and is generated from processing of MSW and other processable inbound waste at the WTE facility.

[2] Amounts shown include MSW waste and recycling residue that is processed at the WTE facility.

[3] Amounts shown primarily reflect contaminated sand, but also include minor amounts of waste categorized as certified destroyed waste, international waste, asbestos, oil wastes, and other miscellaneous wastes.

[4] Amounts shown net of recycling residue processed at the WTE facility; however, includes some residue that is disposed of or used as cover at the Lee / Hendry Landfill.

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY SOLID WASTE SYSTEM
September 30, 2016
(Unaudited)

Summary of Historical Waste-to-Energy (WTE) Processing Statistics [1]

Description	Historical Period 2012	2013	2014	2015	2016
Annualized Design Capacity (Tons) [2]	670,140	670,140	670,140	670,140	670,140
Guaranteed Tonnage (Tons) [3]	530,000	545,000	569,619	569,619	569,619
Processed Waste (Tons)	568,789	607,482	607,355	615,179	641,723
Received MSW/Residue (Tons) [4]	457,863	482,761	493,232	520,960	543,765
MSW as % of Processed	80.5%	79.5%	81.2%	84.7%	84.7%
WTE Production Statistics:					
Generated Ash Residue (Tons)	142,051	155,550	150,582	151,806	161,723
Ash as % of Waste Processed	25.0%	25.6%	24.8%	24.7%	25.2%
Gross Electricity (MW-hr)	351,138	371,603	386,819	387,467	393,336
Net Electrictiy (MW-hr) [5]	297,911	315,640	330,932	331,790	336,032
Ferrous Recovery (Tons) [6]	15,663	14,570	15,973	19,686	24,303
Non-Ferrous Recovery (Tons) [6]	328	373	1,177	2,007	2,410

[1] During Fiscal Year 2016, the County had major maintenance performed to the boiler and generator of the WTE Facility and additional major maintenance is expected in Fiscal Year 2021, that has or is expected to reduce the amount of tons that can be processed.

[2] Amounts shown are based on the annualized design capatiy of 1,836 tons per day (not adjusted for leap years) and were not adjusted for any typical or routine maintenance, which would limit the actual capacity for the facility over a twelve (12) month period.

[3] Amounts shown reflect the minimum commitment of processable waste deliveries by the County pursuant to contractual agreement.

[4] Includes residues from reycling processed at the WTE Facility and considered comparable to MSW.

[5] Reflects gross production of electricity net of in-plant use.

[6] The County partnered with the Operator to install an enhanced metals recovery system, which substantially increased the amount of recovered ferrous and non-ferrous metals approximately 15,000 tons per year to 20,000 tons per year.

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY TRANSPORTATION FACILITIES
September 30, 2016
(unaudited)

Toll Rates - Sanibel Bridge

The schedule below reflects the toll structure:

Vehicle Class	September 30, 2016
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, 2016
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 next page)

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, 2016
(unaudited)

TRANSPORTATION FACILITIES TRAFFIC, REVENUES AND EXPENSES BY BRIDGE
MIDPOINT MEMORIAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

	TOLL PAYING TRAFFIC					Operating and	
Year	Passenger Cars	Other Traffic[1]	Total	Percentage Change	Gross Toll Revenues	Maintenance Expenses[2]	Net Revenues
					(000's omitted)	(000's omitted)	(000's omitted)
2007	17,181,104	390,500	17,571,604	-2.28%	$15,144	$4,772	$10,372
2008[4]	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
2015[3]	7,800,958	174,168	7,975,126	4.96%	14,988	3,412	11,576
2016[3]	8,088,851	180,033	8,268,884	3.68%	15,831	3,355	12,476

Source: Lee County Department of Transportation

(1) Includes motorcycles and 3+ axle vehicles.
(2) Does not include depreciation.
(3) Operating and Maintenance Expenses do not include unfunded OPEB and Pension expenses.
(4) 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
CAPE CORAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

	TOLL PAYING TRAFFIC					Operating and	
Year	Passenger Cars	Other Traffic[1]	Total	Percentage Change	Gross Toll Revenues	Maintenance Expenses[2]	Net Revenues
					(000's omitted)	(000's omitted)	(000's omitted)
2007	16,956,173	306,875	17,263,048	-1.07%	$14,124	$4,799	$9,325
2008[4]	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
2015[3]	7,872,440	150,196	8,022,636	4.61%	14,327	3,397	10,930
2016[3]	8,114,891	152,000	8,266,891	3.04%	15,014	3,392	11,622

Source: Lee County Department of Transportation

(1) Includes motorcycles and 3+ axle vehicles.
(2) Does not include depreciation.
(3) Operating and Maintenance Expenses do not include unfunded OPEB and Pension expenses.
(4) 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
SANIBEL CAUSEWAY TRAFFIC, REVENUE AND EXPENSES

	TOLL PAYING TRAFFIC(1)					Operating and	
Year	Passenger Cars	Other Traffic[1]	Total	Percentage Change	Gross Toll Revenues	Maintenance Expenses[2]	Net Revenues
					(000's omitted)	(000's omitted)	(000's omitted)
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
2015[3]	3,207,115	75,674	3,282,789	3.70%	14,715	2,251	12,464
2016[3]	3,256,170	80,885	3,337,055	1.65%	15,040	2,250	12,790

Source: Lee County Department of Transportation

(1) Includes motorcycles and 3+ axle vehicles.
(2) Does not include depreciation.
(3) Operating and Maintenance Expenses do not include unfunded OPEB and Pension expenses.

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY TRANSPORTATION FACILITIES
September 30, 2016
(unaudited)

Revenues, Operating Expenses and Debt Service Coverage

Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Revenues	Operating Expenses [1]	Net Available for Debt Service	Debt Service	Coverage
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
2015	44,113	8,906 [2]	35,207	15,352	2.29
2016	46,008	8,910 [2]	37,098	14,230	2.61

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

(2) Persuant to the County's Bond Resolution, operating expenses do not include unfunded OPEB and pension expenses. Years 2007 to 2014 include the annual OPEB cost in the operating expenses and is not adjusted for funding.

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
September 30, 2016
(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
American Airlines*	Atlantic Southeast
Delta Air Lines *	Endeavor Air
JetBlue*	Express Jet
Frontier	PSA Airlines
Shuttle America	Republic
Southwest*	Shuttle America
Spirit Airlines*	Silver Airways
Sun Country	Skywest
United*	
US Airways[2]	

International Air Carriers	Air Cargo Carriers
AirBerlin	Federal Express
Air Canada	United Parcel Service
Silver	
Sun Country	
Westjet	

* Denotes Signatory Airline as defined in Airline-Airport Use Agreements as of September 30, 2016.

(1) During the peak winter months, a number of other domestic and international charter airlines also operate at the Airport.

(2) US Airways and American completed their merger January 1, 2016. The combined entity now operates as American. Accordingly, the Use Agreement with US Airways is assumed by American.

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
September 30, 2016
(Unaudited)

Airport Enplanements October 2015 - September 2016

	Commercial Air Carriers	Regionals/ Commuters	International Air Carriers	Domestic Charters	Total Enplanements	Total Enplanements for Month in Prior Year	Percentage Change
October 2015	238,760	7,441	7,476	653	254,330	238,024	6.9%
November 2015	340,858	7,501	15,448	1,037	364,844	338,445	7.8%
December 2015	367,894	8,079	21,272	1,319	398,564	365,324	9.1%
January 2016	426,537	11,586	24,025	532	462,680	428,675	7.9%
February 2016	455,572	10,308	23,861	508	490,249	445,895	9.9%
March 2016	593,848	8,430	31,766	1,112	635,156	596,320	6.5%
April 2016	458,823	9,107	24,356	2,955	495,241	490,931	0.9%
May 2016	302,042	10,639	9,899	443	323,023	322,534	0.2%
June 2016	237,357	7,767	6,974	452	252,550	248,737	1.5%
July 2016	225,836	8,967	8,582	374	243,759	248,794	-2.0%
August 2016	202,020	7,503	9,102	507	219,132	232,427	-5.7%
September 2016	180,581	6,535	5,922	431	193,469	199,083	-2.8%

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
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
2015	3,902,841	91,052	158,426	2,870	4,155,189
2016	4,030,128	103,863	188,683	10,323	4,332,997
Compounded Growth					
2007-2016	0.66%	-4.31%	6.84%	12.43%	0.72%

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2016
(Unaudited)

HISTORICAL LANDED WEIGHT BY AIRLINE (1000 lbs)

	FY 2015		FY 2016	
Airline	Landed Weight	Share	Landed Weight	Share
Delta	1,009,615	21.7%	1,007,416	20.8%
Southwest	927,602	19.9%	881,816	18.2%
JetBlue	532,725	11.4%	620,730	12.8%
American	296,018	6.4%	610,911	12.6%
United	377,697	8.1%	378,010	7.8%
Spirit Airlines	309,794	6.7%	345,203	7.1%
International Airlines	193,537	4.2%	265,262	5.5%
Frontier	173,861	3.7%	244,952	5.1%
Cargo	121,453	2.6%	135,527	2.8%
US Airways	474,383	10.2%	109,186	2.3%
Sun Country	70,629	1.5%	81,098	1.7%
Endeavor Air	59,629	1.3%	78,930	1.6%
Silver Airways	31,692	0.7%	21,717	0.4%
Republic Airline	18,588	0.4%	20,701	0.4%
Shuttle America	20,674	0.4%	16,519	0.3%
PSA Airlines	-	0.0%	10,554	0.22%
Domestic Charters	5,950	0.1%	8,829	0.18%
SkyWest	3,414	0.1%	2,157	0.04%
Envoy	306	0.0%	698	0.01%
Express Jet	3,527	0.1%	617	0.01%
Atlantic Southeast		0.0%	268	0.0%
AirTran	25,376	0.5%	-	0.0%
Total	4,656,467	100.0%	4,841,099	100.0%

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2016
(Unaudited)

HISTORICAL ENPLANEMENTS BY AIRLINE

	FY 2015		FY 2016	
Airline	Enplanements	Share	Enplanements	Share
Delta	909,678	21.9%	915,183	21.1%
Southwest	898,089	21.6%	891,773	20.6%
American	276,719	6.7%	564,425	13.0%
JetBlue	487,241	11.7%	556,246	12.8%
United	349,644	8.4%	353,126	8.1%
Spirit Airlines	283,519	6.8%	334,597	7.7%
Frontier	165,596	4.0%	239,071	5.5%
International Airlines	158,426	3.8%	188,683	4.4%
US Airways	430,425	10.4%	90,779	2.1%
Sun Country	60,869	1.5%	70,849	1.6%
Endeavor Air	49,937	1.2%	63,839	1.5%
Republic Airline	16,536	0.4%	18,195	0.4%
Silver Airways	18,113	0.4%	14,356	0.3%
Shuttle America	17,919	0.4%	14,079	0.3%
PSA Airlines	-	0.0%	8,827	0.2%
Domestic Charters	2,434	0.1%	5,948	0.1%
SkyWest	3,228	0.1%	2,165	0.05%
Express Jet	3,644	0.1%	603	0.01%
Atlantic Southeast	-	0.0%	222	0.0%
Envoy Air	30	0.0%	31	0.00%
AirTran	23,142	0.6%		0.0%
	4,155,189	100%	4,332,997	100%

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2016
(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 2015						Fiscal Year 2016					
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	•	1,249	517,485	6.30%	1	Boston	•	1,249	538,179	6.27%
2	Detroit	•	1,085	463,024	5.63%	2	Chicago (O'Hare)	•	1,120	507,297	5.91%
3	Minneapolis	•	1,416	423,186	5.15%	3	Detroit	•	1,085	494,303	5.76%
4	Chicago (O'Hare)	•	1,120	401,472	4.89%	4	Minneapolis	•	1,416	437,010	5.09%
5	New York (Newark)	•	1,068	330,623	4.02%	5	New York (Newark)	•	1,068	357,056	4.16%
6	New York (La Guardia)	•	1,090	270,978	3.30%	6	Chicago (Midway)	•	1,105	293,892	3.43%
7	Chicago (Midway)	•	1,105	268,357	3.27%	7	New York (La Guardia)	•	1,090	270,476	3.15%
8	New York (JFK)	•	1,074	240,770	2.93%	8	New York (JFK)	•	1,074	248,132	2.89%
9	Philadelphia	•	992	232,355	2.83%	9	Philadelphia	•	992	243,647	2.84%
10	Indianapolis	•	966	218,927	2.66%	10	Indianapolis	•	966	242,374	2.83%
11	Cleveland	•	1,037	187,767	2.28%	11	Cleveland	•	1,037	216,279	2.52%
12	Atlanta	•	515	185,309	2.25%	12	Atlanta	•	515	208,881	2.44%
13	Baltimore	•	946	184,911	2.25%	13	Baltimore	•	946	198,978	2.32%
14	Milwaukee	•	1,183	178,446	2.17%	14	Milwaukee	•	1,183	180,476	2.10%
15	Washington (National)	•	892	170,159	2.07%	15	Washington (National)	•	892	175,024	2.04%
16	Hartford	•	1,180	168,128	2.05%	16	Columbus	•	930	170,236	1.98%
17	Columbus	•	930	166,265	2.02%	17	Hartford	•	1,180	167,770	1.96%
18	St. Louis	•	979	151,143	1.84%	18	Atlantic City	•	982	162,493	1.89%
19	Pittsburg	•	966	149,532	1.82%	19	St. Louis	•	979	156,630	1.83%
20	Atlantic City	•	982	137,782	1.68%	20	Pittsburg	•	966	147,702	1.72%
21	Denver	•	1,606	133,549	1.63%	21	Denver	•	1,606	143,088	1.67%
22	Dallas/Ft. Worth	•	1,017	123,562	1.50%	22	Cincinnati	•	878	141,401	1.65%
23	Buffalo	•	1,144	101,599	1.24%	23	Dallas/Ft. Worth	•	1,017	127,719	1.49%
24	Westchester County	•	1,102	85,594	1.04%	24	Buffalo	•	1,144	84,211	0.98%
25	Cincinnati	•	878	85,006	1.03%	25	Westchester County	•	1,102	77,211	0.90%
26	Kansas City	•	1,156	81,725	0.99%	26	Providence	•	1,201	75,831	0.88%
27	Providence	•	1,201	73,627	0.90%	27	Kansas City	•	1,156	69,112	0.81%
28	Akron/Canton	•	991	71,935	0.88%	28	Charlotte	•	600	65,116	0.76%
29	Charlotte	•	600	65,712	0.80%	29	Akron/Canton	•	991	63,883	0.74%
30	Grand Rapids	•	1,147	60,829	0.74%	30	Nashville	•	722	57,740	0.67%
	Total- Top 30 Markets			5,929,757	72.2%		Total- Top 30 Markets			6,322,147	73.7%
	Total - All Other Markets			2,288,306	27.8%		Total - All Other Markets			2,255,911	26.3%
	Total - All Markets			8,218,063	100.0%		Total - All Markets			8,578,058	100.0%

Source: U.S. DOT O&D Summary Report & Diio.net

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2016
(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
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
2015	58,784	4,566	2,148	146	10,354	1,132	1,313	78,443
2016	59,842	4,498	3,098	344	9,228	1,228	1,206	79,444
Compounded Growth								
2007-2016	-0.85%	-8.82%	8.59%	8.73%	-2.76%	-6.90%	13.01%	-1.52%

[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, 2016
(dollars in thousands)

HISTORICAL STATEMENT OF NET REVENUES[1]
FISCAL YEARS 2012-2016

OPERATING REVENUES:	2012	2013	2014	2015	2016
User fees	$ 40,900	$ 43,330	$ 43,590	$ 43,243	$ 43,054
Rentals and franchise fees	2,847	2,880	3,078	3,039	3,197
Concessions	34,043	37,223	39,120	42,267	43,739
Interest revenue	412	322	175	330	762
Miscellaneous	139	24	247	231	248
Total Operating Revenues	78,341	83,779	86,210	89,110	91,000
OPERATING EXPENSES[2]:					
Salaries and wages	18,491	18,472	18,860	19,117	20,226
Employee benefits	7,675	7,918	8,573	8,876	9,223
Contractual services, materials and supplies	14,766	16,221	17,829	18,451	19,072
Utilities	3,701	3,824	3,840	4,147	4,081
Repairs and maintenance	1,655	1,625	2,208	2,194	3,174
Insurance	1,648	1,632	1,621	1,591	1,612
Other	1,436	1,931	1,946	1,496	1,756
Total Operating Expenses	49,372	51,623	54,877	55,872	59,144
NET REVENUES:	28,969	32,156	31,333	33,238	31,856
Transfers in[3]	3,351	2,616	2,678	2,832	2,838
Transfers in (Other)[4]	242	264	294	305	376
Debt service interest	17,654	16,459	16,039	15,552	14,939
Principal	7,895	8,470	8,900	9,285	9,750
TOTAL DEBT SERVICE:	$ 25,549	$ 24,929	$ 24,939	$ 24,837	$ 24,689
BOND SERVICE REQUIREMENT COVERAGE BEFORE TRANSFERS	1.13	1.29	1.26	1.34	1.29
BOND SERVICE REQUIREMENT COVERAGE AFTER TRANSFERS	1.27	1.41	1.38	1.46	1.42

[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 pension and other post employment benefits expense in accordance with the bond resolution.
[3] 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.
[4] Other transfers include a Federal Inspection Station user fee of $2.00 per deplaned passenger

Source: Lee County Clerk of Courts Finance and Records Department



This page is intentionally blank.