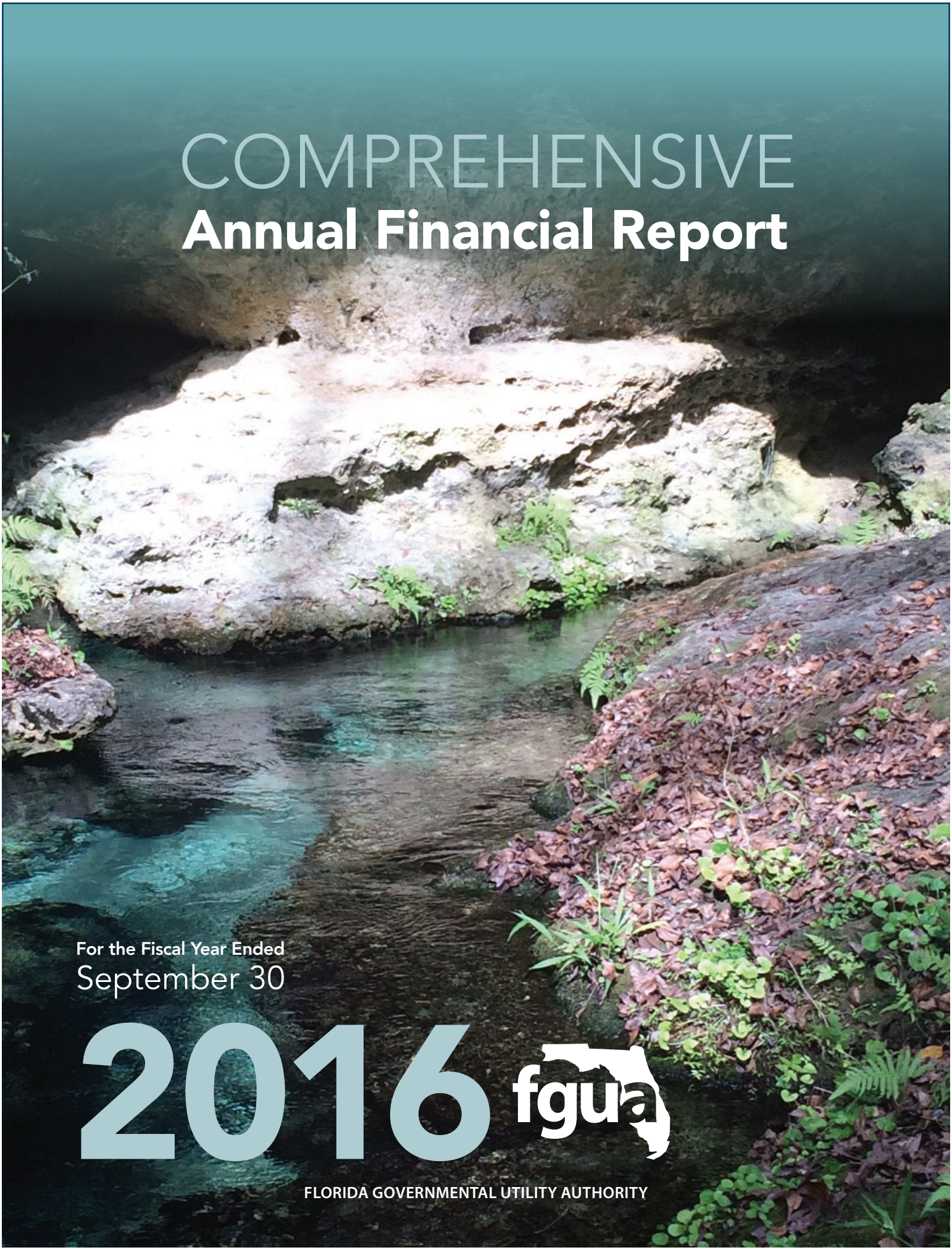


COMPREHENSIVE
Annual Financial Report

For the Fiscal Year Ended
September 30

2016

FLORIDA GOVERNMENTAL UTILITY AUTHORITY

FLORIDA GOVERNMENTAL UTILITY AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Prepared by:

Finance Department
David DiLena, CPA, Chief Financial Officer

FLORIDA GOVERNMENTAL UTILITY AUTHORITY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

TABLE OF CONTENTS

	Page Number(s)
INTRODUCTORY SECTION	
Letter of Transmittal	1 – 25
Certificate of Achievement for Excellence in Financial Reporting	26
Organization Chart	27
List of Principal Officials	28
FINANCIAL SECTION	
Independent Auditors' Report	29 – 30
Management's Discussion and Analysis	31 – 43
Basic Financial Statements	
Statement of Net Position	44 – 45
Statement of Revenues, Expenditures, and Changes in Net Position	46 – 47
Statement of Cash Flows	48 – 49
Notes to Financial Statements	50 – 68
STATISTICAL SECTION	
Net Position by Component	70
Changes in Net Position	71
Summary of Ten Largest Single Water Users	72
Ratios of Outstanding Debt by Fund Type	73
Pledged Revenue Coverage	74 – 75
Demographic and Economic Statistics	76 – 77
Principal Employers	78
Operating Indicators by Function	79
Capital Asset Statistics by Function	80 – 82
OTHER REPORTS	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	83 – 84

TAB 1

Introductory Section

FGUA Operations Office

Government Services Group, Inc.
280 Wekiva Springs Rd., Ste 2070
Longwood, FL 32779-6026

(877) 552-3482 Toll Free
(407) 629-6900 Tel
(407) 629-6963 Fax

March 10, 2017

Chairman and Members, Board of Directors
Florida Governmental Utility Authority
1500 Mahan Drive, Suite 250
Tallahassee, FL 32308

Florida State law requires that all units of local government publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the Comprehensive Annual Financial Report of the Florida Governmental Utility Authority (FGUA) for the fiscal year ended September 30, 2016 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the FGUA. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the FGUA. All disclosures necessary to enable the reader to gain an understanding of the FGUA's financial activities have been included.

The Florida Governmental Utility Authority's financial statements have been audited by James Moore & Co. P.L., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Florida Governmental Utility Authority for the fiscal year ended September 30, 2016, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified ("clean") opinion that the Florida Governmental Utility Authority's financial statements for the Fiscal Year ended September 30, 2016, are fairly presented in conformance with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

The Florida Governmental Utility Authority's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The FGUA exists as a legal entity and public body pursuant to Chapters 125, 163 and 166, Florida Statutes, and a First Amended and Restated Interlocal Agreement dated as of December 1, 2000, as restated, amended and supplemented from time to time (the "Interlocal Agreement") by and among Citrus County, Nassau County, Polk County and Sarasota County, each a local government located in the State of Florida. Sarasota County and Nassau County have since terminated their membership in the Authority. Osceola County joined as a member in 2003 and has since terminated its membership in the Authority. Lee County joined as a member on October 18, 2005, Pasco County joined as a member on February 27, 2008, Hendry County joined as a member on February 21, 2008, and Marion County joined as a member on November 21, 2013. The Town of Dundee joined as a member on June 12, 2007 and has since terminated membership in the Authority. Desoto County joined as a member on February 19, 2009 and terminated its membership in November 2015. Citrus County, Hendry County, Lee County, Pasco County, Polk County and Marion County are the current counties who are Members in the FGUA. The purpose of the FGUA is to enable its members to make the most efficient use of their common power to acquire, own, improve, operate, and maintain water and wastewater facilities; however, Authority membership is not a prerequisite to the acquisition of property within any particular jurisdiction.

The FGUA does not have any employees. All services are provided on a contractual basis predicated on the management and operational needs of the FGUA. Overall management (including executive oversight, administration, financial management, capital planning, and construction contract supervision) is provided by Government Services Group, Inc. Daily operations, maintenance, customer service, and billing services are provided by US Water/Wade Trim, with the exception of services at MacDill AFB Utility System which are provided by US Water Services Corporation.

The FGUA began its operational and fiscal activities on the date of acquisition of five water and wastewater systems on April 15, 1999. These systems were acquired from Florida Cities Water Company and Poinciana Utilities, Inc., units of Avatar Properties, Inc. A sixth system located in Lee County was part of the acquisition discussions, but was directly purchased by Lee County on April 15, 1999. The Barefoot Bay Utility System was transferred to Brevard County in February 2000. The Sarasota Utility System was transferred to Sarasota County on August 8, 2002. On December 5, 2003, the FGUA completed the purchase of two additional utility systems from Florida Water Services Corporation, the Citrus County Utility System and the Lehigh Acres Utility System (Lee County). On March 31, 2004, the FGUA sold its Carrollwood Utility System water production wells to the Tampa Bay Water Authority and its water distribution system and wastewater collection system to Hillsborough County, ending its ownership in the Carrollwood Utility System. Continuing with the FGUA's purpose to transition utility activities from the private sector to public ownership and operation, the Citrus Utility System was transitioned to Citrus County on February 15, 2007. Shortly thereafter, on April 30, 2007, the Poinciana Utility System was transitioned to the Tohopekaliga Water Authority. On February 27, 2009, the FGUA purchased the Aloha Utilities Inc. water and wastewater systems (Aloha Gardens and Seven Springs), collectively called the FGUA Pasco Utility Systems. On December 23, 2009, the FGUA acquired the Consolidated Utility Systems. On March 10, 2010, the FGUA acquired the Lindrick Utility System and on July 29, 2010, the FGUA acquired the North Fort Myers Utility System. On June 17, 2010, the Authority accepted and approved a contract with the United States Government for the acquisition of the water and wastewater utility facilities at MacDill Air Force Base (AFB). The effective date of this acquisition was March 1, 2011, after the transition period which ended February 28, 2011. On June 28, 2012, the FGUA acquired the Mad Hatter and Paradise Lakes Utility Systems which are located in Pasco County, and combined them into the FGUA's Consolidated Utility Systems enterprise

fund. On March 28, 2013, the FGUA acquired certain water and wastewater utility assets owned by Aqua Utilities Florida, Inc. and Crystal River Utilities, Inc. located in Pasco, Lake, Alachua, Citrus, Hardee, Lee, Marion, Orange, Polk, Seminole, Volusia and Putnam Counties, Florida. These system were separated into three separate enterprise funds; Lake Aqua Utility System, Pasco Aqua Utility System, and Unified Aqua Utility System. As of September 30, 2016, the FGUA consisted of ten separate water and wastewater systems located in fourteen counties in Florida. Each of the systems is accounted for as a separate enterprise fund of the FGUA. One enterprise fund continues to be maintained for the Barefoot Bay System to account for the Revenue Bond Payable used to acquire the system and Revenue Bond Receivable used by Brevard County to pay for their purchase of the system from the FGUA. There is also a Non-System Specific enterprise fund for the other minor contractual services provided by the FGUA.

GOLDEN GATE UTILITY SYSTEM

SERVICE AREA

Golden Gate is located north and east of I-75 between the Golden Gate main canal and CR 951, approximately four miles east of the City of Naples in western Collier County. Golden Gate occupies just more than four square miles of developed urban residential and light-commercial property.

The majority of properties are single-family residential. Commercial development consists of support services to the surrounding residents. The Collier County Water-Sewer District surrounds the Golden Gate system on all sides.

Approximately half of Golden Gate is served with public water service, while less than half of Golden Gate is served by central sewer. Those residents who are currently not connected use private wells and septic tanks. The oldest water and sewer lines were installed in 1964.

Half of the southeast quarter of Golden Gate is comprised of a golf course, to which water and sewer service is provided and on which a water treatment plant is located. The remaining area in the southeast quarter is served with water and sewer. The FGUA continues to expand the water service area since additional water treatment capacity is available.

SYSTEM OPERATIONS

Water Treatment

The original water plant, constructed in 1965 and 1966, was a metal lime-softening treatment plant. This facility was expanded in 1989 to a lime-softening plant capacity of 1.224 MGD. In July 2000, a 0.25-MGD reverse osmosis (RO) system was put on line at the existing water treatment plant site. In 2004, a 0.250 MGD - RO system was put on line for a total treatment capacity of 1.70 MGD. In 2006 a phase 3 - RO system of 0.300 MGD was put on line. In 2009 TUB was converted from a 0.504 MGD lime softening unit into a raw water blend. The total production capacity of the Golden Gate system is now 2.099 MGD (0.720 MGD lime softening, 0.504 MGD raw blend and 0.875 MGD RO). All WTP expansion is contingent upon system growth.

As shown in Table 1, plant flows averaged 1.516 MGD in fiscal year 2016 – 72% of the plant capacity

Table1 – Golden Gate Water Treatment Plant Flows

WTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Golden Gate – WUP Limit (Water Table Aquifer)	2.060	1.772 (raw)	86%
Golden Gate – Treatment Capacity	2.099	1.516	72%

Wastewater Treatment

The wastewater treatment plant, which is located next to the Golden Gate canal, is a 1.50 MGD annual average daily flow conventional activated sludge domestic WWTP with effluent disposal to on-site percolation ponds and a deep injection well. The original plant was constructed in 1966 with a capacity of 0.3 MGD and was upgraded to 0.4 MGD in the 1980s and then again in 1995 to 0.95 MGD and in 2009 to its current capacity of 1.50 MGD AADF & 1.80 MGD TMADF.

The annual average daily flow was 1.104 MGD in fiscal year 2016 – 74% of the plant capacity. The permit to operate the DIW was issued in fiscal year 2012. The DIW and associated dedicated RO brine concentrate line are currently in service. The RO brine concentrate bypasses the WWTP and is sent directly down the DIW.

Table 2 – Golden Gate Wastewater Treatment Plant Flows

WWTP	Permitted Capacity (MGD) TMADF	Three Month ADF (MGD)	Permitted Capacity (MGD) AADF	Average Daily Flow (MGD)	% Capacity
Totals	1.80	1.368	1.50	1.104	74%

The utility system served a total of 3,684 water customers and 2,297 wastewater customers in fiscal year 2016.

LEHIGH ACRES UTILITY SYSTEM

SERVICE AREA

Lehigh Acres is in the eastern portion of Lee County, Florida, located east of State Road 82 and south of State Road 80. Fort Myers is the largest population center located due west of Lehigh Acres. Lehigh Acres occupies approximately 94.9 square miles of developed residential and light commercial property. The majority of properties are zoned single family residential. Duplex residential and light commercial properties are located along the main roadways. Originally designed as a retirement community, Lehigh Acres has grown in population to over 86,784 full and seasonal residents according to the 2010 US Census. Less than 50 percent of Lehigh Acres is served by public water service, with 38 percent served by central wastewater service. The Florida

Governmental Utility Authority has utility service primarily along three major roadway corridors, Lee Boulevard running east and west, Homestead Road running southwest and Joel Boulevard running north and south. Both old and new planned neighborhoods are scattered along these roadways and typically have water and wastewater service.

SYSTEM OPERATIONS

Water Treatment

The FGUA operates one (1) 3.10 MGD lime softening water treatment plant (WTP No. 1) that includes thirteen (13) raw water wells that supply all water to the Lehigh Acres Utility System. This supply can be supplemented if needed by an interconnect with the City of Fort Myers. There are two (2) onsite storage tanks, one (1) 1.0 million gallon and one (1) 0.5 million gallon ground storage tanks and two (2) offsite storage tanks including one (1) elevated tank with a capacity of 0.25 million gallons and one (1) ground storage tank with a capacity of 0.5 million gallons.

Due to high levels of total dissolved solids from the wells associated with WTP No. 2 FGUA completed the conversion of WTP No. 2 to a Booster Station in FY 2013. WTP No. 2 includes a 2.0 MG onsite storage tank. WTP No. 2 now receives all water from WTP No. 1, Chlorine and Ammonia residuals are adjusted at WTP No. 2 to ensure adequate treatment is provided for the water that is sent to the Southern portion of the Lehigh Acres service area.

Eventually when growth resumes in Lehigh Acres, WTP No. 2 will be modified to include Reverse Osmosis Treatment. Plans call for WTP No. 2 to eventually be expanded to 10.0 MGD and will provide for all future growth in Lehigh Acres. For the time being until growth resumes WTP No. 2 will be operated as a booster station.

Table 3– Lehigh Acres Water Treatment Plant Flows

	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
WUP Limit	3.150	2.249	71%
Treatment Capacity	3.100	2.249	73%

Conversion of WTP No. 2 to a booster station was completed in fiscal year 2013 and the permitted treatment capacity was reduced from 4.10 to 3.10 MGD. This treatment capacity can be supplemented if needed via the City of Fort Myers interconnect.

Wastewater Treatment

The FGUA operates one wastewater treatment plant (WWTP) with a permitted capacity of 3.0 MGD AADF & 4.30 MGD TMADF. The WWTP also includes a deep injection well (DIW) with a permitted disposal capacity of 18.6 MGD which will allow for all future expansions of the WWTP. The plant is comprised of two (2) separate plants which include contact stabilization and activated sludge process plants. The Zenon membrane plant was demolished during FY 2015 as part of the Headworks Capital Improvement Project. The WWTP produces public access quality reclaimed water that is used for irrigation on three area golf courses. During periods of wet weather the effluent is diverted to extensive onsite ponds for storage, percolation and evaporation. The DIW is also used for effluent disposal during wet weather.

Table 4– Lehigh Acres Wastewater Treatment Plant Flows

	Permitted Capacity (MGD) TMADF	Three Month ADF (MGD)	Permitted Capacity (MGD) AADF	Average Daily Flow (MGD)	% Capacity AADF
WWTP	4.30	2.392	3.00	2.16	72%

The customer service center provided utility billing and other services to 12,643 water customers and 10,421 wastewater customers in 2016.

PASCO UTILITY SYSTEM – ALOHA GARDENS & SEVEN SPRINGS

SERVICE AREA

The physical facilities of the Pasco Utility System are located in two distinct service areas, the Aloha Gardens service area and the Seven Springs service area. The Pasco Utility systems are located in Pasco County, immediately north of Pinellas and Hillsborough Counties, with the Aloha Gardens service area west of U.S. Highway 19 and the Seven Springs service area to the east of U.S. Highway 19.

The Aloha Gardens water system consists of three water treatment plants, plants 1, 3 and 8; although at present only WTP No. 8 is in service. The Aloha Gardens system receives additional water purchased from Pasco County through three interconnects with the County Utility system. Wastewater from the Aloha Gardens service area is sent to Pasco County for treatment through a bulk service agreement. Since the Aloha Gardens service area is built out, the agreement is sufficient for future wastewater treatment needs of this area.

The Seven Springs water system consists of one centralized WTP with a permitted treatment capacity of 2.90 MGD and includes 7 permitted wells. The Seven Springs water system is also interconnected with Pasco County and is required to purchase all water needed above the 2.289 MGD AADF WUP limitation. The Seven Springs wastewater treatment plant is permitted at 2.50 MGD and is currently operating within its permitted capacity.

Aloha Gardens Water Treatment

The Aloha Gardens water system consists of one active WTP (#8). The Aloha Gardens system receives additional water purchased from Pasco County through three interconnects with the County Utility system.

As shown in Table 5, Aloha Gardens flows averaged 0.424 MGD in FY 2016. The majority of water used in the Aloha Gardens service area was purchased from Pasco County due to water quality issues with the existing wells.

.

Table 5– Aloha Gardens Water Treatment Plant Flows

WTP No. 8	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Aloha Gardens WUP	0.136	0.070	51%
Purchased Water (Pasco Interconnect)	N/A	0.354	N/A
		0.424	

Aloha Gardens Wastewater Treatment

All wastewater from the Aloha Gardens service area is sent to Pasco County for treatment through a bulk service agreement.

Seven Springs Water Treatment

The Seven Springs water system previously consisted of seven small water treatment plants. In FY 2011 the Centralized Mitchell Rd. WTP, Pasco County Interconnect, and Raw Water Transmission Main projects were completed. The system is now served by the centralized Mitchell Rd. WTP with additional water beyond the 2.289 MGD AADF WUP limitation being purchased from Pasco County. During fiscal year 2014 the Seven Springs WUP withdrawal limit was increased from 2.04 to 2.289 MGD AADF.

As shown in Table 6, the Seven Springs utility system averaged 2.609 MGD in 2016. FGUA maximized use of its withdrawal capacity and utilized the interconnects with Pasco County for all additional flows beyond its WUP limit.

Table 6 – Seven Springs Water Treatment Plant Flows

WTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Permitted Raw Water Withdrawal	2.289	2.388	104%
Purchased Water (Pasco Interconnect)	N/A	0.221	N/A
		2.609	

Seven Springs Wastewater Treatment

The wastewater treatment plant is a 2.5 million gallon per day (MGD), annual average daily flow (AADF), Type I modified conventional activated sludge domestic wastewater treatment facility consisting of: one mechanical screening and grit removal both with manual bypass, one splitter box, and one equalization tank of 500,000 gallons total volume. After the equalization tank, flow is split into three trains. The existing Train 3 consists of two aeration tanks of 227,000 gallons total volume, one clarifier of 105,500 gallons total volume and 1,531 square feet total square area. Trains 1 and 2 from the newly constructed plant consists of one aeration basin of 650,000 gallons each for a total of 1.3 million gallons (MG) total volume, three clarifiers of 191,000 gallons each and surface area of 1963 square feet each for a total of 573,000 gallons and 5,889 square feet total surface area.

Combined flow from Trains 1, 2, and 3 is routed into an intermediate pumping station and from there to the one seven-cell declining rate filter of 3.4 MG and one automatic backwash filter of 4.1 MG. Both filters have a total capacity of 7.5 MG. From the filters, effluent flows via gravity to the two-bay, baffled chlorine contact chamber of 47,752 gallons total with each bay for a total volume of 95,505 gallons. After disinfection, effluent flows by gravity either to the reuse pumping station or to the reject holding tank or to the North Part IV pond, depending on its quality. Part III effluent flows to the reuse pumping station for distribution throughout the Seven Springs Service Area. Non-Part III effluent flows to the lined reject pond of 1.6 MG and/or to the reject holding tanks of 0.7 MG total volume for a total reject volume of 2.3 MG. Waste Activated Sludge (WAS) flows to seven biosolids holding tanks for a total volume of 1.195 MG. Chlorination is provided by a liquid chlorine feed system with an existing gaseous chlorine system to serve as back-up. Two power generation units are provided which together are of sufficient capacity to supply emergency power to all essential plant units as required for Class I Reliability.

The annual average daily flow was 1.573 MGD in fiscal year 2016. Current flows are within the plant's permitted capacity of 2.50 MGD.

Table 7 – Seven Springs Wastewater Treatment Plant Flows

WWTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Totals	2.5	1.573	63%

The Pasco Utility System served a total of 18,069 water customers and 15,328 wastewater customers in fiscal year 2016.

CONSOLIDATED UTILITY SYSTEM

SERVICE AREA

The Consolidated Utility System was originally comprised of 6 small service areas: Anclote, Angus Valley, Colonial Manor, Dixie Groves, Virginia City and Westwood. The Mad Hatter and Paradise Lakes Utility systems were acquired on May 17, 2012 and were combined with the Consolidated Utility Systems. The Consolidated Utility System is now comprised of 13 small service areas and includes the areas previously mentioned above as well as: Carpenter's Run, Cypress Cove, Foxwood Lakes, Linda Lakes, Paradise Lakes, Turtle Lakes and Twin Palms.

Anclote

The Anclote water system is located in Pasco County, approximately 3 miles north of Tarpon Springs, approximately ½ mile south of the Pinellas/Pasco line, west of US Highway 19. The service area encompasses approximately 964 acres, extending both in Pasco and Pinellas Counties. The system consists of single and multi-family homes, mobile home parks, light commercial shops and public schools.

Treatment - All water is purchased from the city of Tarpon Springs.

Angus Valley

The Angus Valley water system is located approximately 23 miles east of New Port Richey on SR 54, ½ mile west of I-75 in the Angus Valley subdivision approximately 1.3 miles west of Wesley Chapel on Dayflower Boulevard west of Old Pasco Rd and ½ mile north of SR 54.

Treatment - Water is withdrawn from two (2) production wells in the Floridian Aquifer. There are two (2) hydropneumatic tanks both with capacities of 5,000 gallons. Chlorine is injected for disinfection.

Colonial Manor

The Colonial Manor water system is located in Pasco County, approximately 1 mile southwest of the city of Elfers, ½ mile east of US Highway 19, in the subdivision off of Mogg Rd. The service area encompasses approximately 162.4 acres consisting of residential, light commercial and office spaces.

Treatment - All water is purchased from Pasco County.

Dixie Groves

The Dixie Groves water system is located in Holiday which is in the western portion of Pasco County, 3 miles south of New Port Richey, and one mile east of the intersection of US Highway 19 and County Rd. 595. The service area encompasses approximately 42 acres consisting of residential, light commercial and office spaces.

Treatment - Water is withdrawn from two (2) production wells in the Floridian Aquifer. There are two (2) hydropneumatic tanks with capacities of 1,500 and 3,000 gallons. Chlorine is injected for disinfection.

Virginia City

The Virginia City water system is located in New Port Richey, on Thys Road, in Pasco County, approximately 2.5 miles east of US Highway 19 on the north side of SR 54.

Treatment – Water is withdrawn from one (1) production well in the Floridian Aquifer. There is one (1) hydropneumatic tank with a capacity of 5,000 gallons. Chlorine and Ammonia are injected for disinfection via chloramination.

Westwood

The Westwood water system is located in southwestern Pasco County, north of Tarpon Springs, ½ mile west of US Highway 19. The Westwood service area encompasses approximately 182 acres. The system consists of mostly single family residential units.

Treatment - Water is withdrawn from one (1) production well in the Floridian Aquifer. There is one (1) hydropneumatic tank with a capacity of 10,000 gallons. Chlorine is injected for disinfection. There is also an emergency interconnect with Pasco County Utilities. Prior to utilization of the interconnect all Westwood customers are notified and the well is inactivated due to Pasco County Utilities utilizing chloramination for disinfection.

Mad Hatter Utility Systems

The Mad Hatter utility systems are located along State Road 54 (SR 54) near the intersection of US 41 in the south-central portion of Pasco County, Florida. The Mad Hatter systems are summarized below.

Carpenters Run

Treatment - The Carpenter's Run WTP consists of two water supply wells, two (2) 10,000 gallon hydropneumatic tanks, a diesel drive back up for one (1) of the wells, and a gas chlorination system for disinfection. All Mad Hatter water systems with the exception of Paradise Lakes and Linda Lakes are permitted as a basin under Water Use Permit No. 590.011 for 1.0 MGD annual average daily flow.

All wastewater is sent to Pasco County via an interconnect for treatment.

Cypress Cove

Treatment - The Cypress Cove WTP consists of two (2) water supply wells, a gas chlorination system for disinfection, a polyphosphate chemical system, and two (2) 10,000 gallon hydropneumatic tanks. All Mad Hatter water systems with the exception of Paradise Lakes and Linda Lakes are permitted as a basin under Water Use Permit No. 590.011 for 1.0 MGD annual average daily flow.

All wastewater is sent to Pasco County via an interconnect for treatment.

Foxwood Lakes

Treatment - The Foxwood Lakes WTP consists of one water supply well with a diesel engine drive back up, a gas chlorination system for disinfection, one (1) 10,000 gallon hydropneumatic tank. All Mad Hatter water systems with the exception of Paradise Lakes and Linda Lakes are permitted as a basin under Water Use Permit No. 590.011 for 1.0 MGD annual average daily flow.

All wastewater is sent to Pasco County via an interconnect for treatment.

Linda Lakes

Treatment - The Linda Lakes WTP consists of one water supply well, treatment via liquid chlorine, and one (1) 5,000 gallon hydropneumatic tank. Due to the small size of this well a Water Use Permit is not required. This system is not part of Water Use Permit No. 590.011

The Linda Lakes service area also includes a small WWTP permitted to treat 20,000 gallons per day. The WWTP consists of a mechanical bar screen and grit removal system, four aeration basins, clarifier, chlorine contact chamber, digester and rapid infiltration basin.

Paradise Lakes

Treatment - The Paradise Lakes WTP consists of two wells, a 10,000 gallon hydropneumatic tank, a gas chlorination system for disinfection and an 8kW propane generator. This system is permitted for 77,000 annual average daily under Water Use Permit No. 6223.

All wastewater is sent to Pasco County via an interconnect for treatment.

Turtle Lakes

Treatment - The Turtle Lakes WTP consists of two water supply wells, gas chlorination system for disinfection, and one (1) 20,000 gallon hydropneumatic tank. All Mad Hatter water systems with the exception of Paradise Lakes and Linda Lakes are permitted as a basin under Water Use Permit No. 590.011 for 1.0 MGD annual average daily flow.

All wastewater is sent to Pasco County via an interconnect for treatment.

Twin Palms

Treatment - Abandonment of the Twin Palms water supply well was completed in FY 2015. This well was abandoned due to sand intrusion. Water is no longer produced at this site. Twin Palms receives it water supply from the Carpenters Run and Turtle Lakes WTPs.

All wastewater is sent to Pasco County via an interconnect for treatment.

SYSTEM OPERATIONS

As shown in Table 8, all Consolidated System plant flows were under capacity leaving room for growth if needed.

Table 8 – Consolidated System Flows

WTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Anclote (Water purchased from Tarpon Springs)	N/A	0.054	N/A
Angus Valley (2 wells) – WUP Limit	0.145	0.114	79%
Colonial Manor (Water purchased from Pasco)	N/A	0.095	N/A
Dixie Groves (2 wells) – WUP Limit	0.0536	0.034	63%
Virginia City (1 well and interconnect) – WUP Limit	0.083	0.057	69%
Westwood (1 well and Interconnect) – WUP Limit	0.029	0.015	52%
Carpenters Run *		0.515	
Cypress Cove *		0.159	
Foxwood Lakes *	1.000	0.000	85%
Turtle Lakes *		0.175	
Paradise Lakes – WUP Limit	0.077	0.053	69%
Linda Lakes	N/A	0.012	N/A

* These systems are combined and Permitted as a basin under the WUP.

WWTP	Permitted Capacity (MGD) TMADF	Three Month Average Daily Flow (MGD)	Average Daily Flow (MGD)	% Capacity TMADF
Totals	0.020	0.037	0.020	185%

The Consolidated Utility System served a total of 6,474 water customers and 3,337 wastewater customers in fiscal year 2016.

LINDRICK UTILITY SYSTEM

SERVICE AREA

The Lindrick service area is comprised of approximately 3.24 square miles and consists of a population of approximately 4,600 people. The majority of the Lindrick service area is located west of US-19 on Florida's Gulf of Mexico coastline.

Lindrick's water supply comes from the Floridan Aquifer. The water system serves its customers with eight permitted supply wells under Southwest Florida Water Management District (SWFWMD) water use permit number 2978.013. The majority of customers served are residential.

Flows from the 19 lift stations in the Lindrick wastewater collection system are sent to the City of New Port Richey wastewater treatment plant under a bulk wastewater service agreement. The current agreement is in effect until July 1, 2021, and allows up to 700,000 gallons per day of treatment capacity. Under the terms of the agreement with the City of New Port Richey, the Lindrick system must maintain the chloride levels below 600 mg/l and use its best efforts to achieve chloride levels of 400 mg/l. Chloride levels in the Lindrick wastewater system fluctuated between 317 milligrams per liter (mg/L) and 1,542 mg/L during FY 2016. In FY 2011 FGUA initiated a project to identify problem areas in the collection system and then to rehabilitate any pipes or facilities that might contribute to brackish ground water or salt water introduction into the collection system.

This project was completed in FY 2014 / FY2015 and the chloride levels were 455 mg/L and 432 mg/L in 2014 and 2015, respectively. However, in FY 2016 chloride levels have begun to increase again and chloride levels averaged 736 mg/L which exceeded the agreement limits with the city of New Port Richey. FGUA initiated additional collection system repairs along Leeward Way, of which repairs carried forward into FY 2017. Due to the proximity of the Lindrick system with the Gulf of Mexico this issue will likely continue for the length of the agreement with the city of New Port Richey.

Water Treatment

The Lindrick system organized in 1960 to serve the Gulf Harbor Development and was acquired by the Lindrick Service Corporation in 1965. In November 2002 Lindrick Service Corporation began purchasing water from Pasco Reserve Corp. to supplement its water supply. Subsequently on November 9, 2009 ownership of the Lindrick Utility System and Pasco Reserve well field / transmission lines was transferred to the FGUA.

The Lindrick system consists of six (6) permitted production wells (No. 2, 3, 4, 5, 6, 8). Wells No. 1 and 7 are currently out of service. Well No. 1 includes a 10,000 gallon hydropneumatic tank, Well No. 4 includes a 6,000 gallon hydropneumatic tank, and Well No. 5 includes a 5,000 gallon hydropneumatic tank.

Water from all wells is conveyed to a centralized treatment system located at Well No. 1. Ammonium Sulfate and Liquid Chlorine is injected for disinfection.

As shown in Table 9, plant flows averaged 0.569 MGD in fiscal year 2016 – 65% of the permitted raw water withdrawals.

Table 9 – Lindrick Water Treatment Plant Flows

WTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Lindrick WTPs – WUP Limit	0.870	0.566	65%
Lindrick WTPs – Treatment Capacity	1.944	0.566	29%

Wastewater Treatment

The Lindrick wastewater collection system serves a population of approximately 4,600 people and consists of approximately 550 manholes, 137,500 feet of gravity sewer and nineteen (19) lift stations. Lift station No. 17 is a triplex station with three pumps and all other stations are dual pump submersible type.

The wastewater from the Lindrick area is pumped to the old Lindrick WWTP which has been converted to a "Master Lift Station" (No. 17). From the master lift station it is sent to the City of New Port Richey WWTP for treatment and disposal under a Bulk Wastewater Treatment Agreement which allows up to 700,000 GPD of treatment capacity. The bulk wastewater agreement was reduced from 850,000 GPD to the current 700,000 GPD in fiscal year 2013. The current ADF being sent to the City of New Port Richey is within the Bulk Wastewater Treatment Agreement and should provide enough capacity into the 10 year planning period.

Table 10 – Lindrick Wastewater Collection System Flows

WWTP	Bulk Service Agreement (MGD)	Average Daily Flow (MGD)	% Capacity
Totals	0.700	0.466	67%

The Lindrick Utility System served a total of 3,089 water customers and 2,586 wastewater customers in FY 2016.

NORTH FORT MYERS UTILITY SYSTEM

SERVICE AREA

The North Fort Myers service area was initially organized by North Fort Myers Utility, Inc. on January 23, 1978, to provide central sewer service to Old Bridge Park, a mobile home community. Since then it has expanded its service area to include a large portion of the unincorporated area north of the Caloosahatchee River in Lee County, FL. On June 17, 2010, North Fort Myers Utility, Inc. sold the North Fort Myers Utility system to the Florida Governmental Utility Authority.

The service area also includes two small water systems, Pine Lakes and Lake Fairways both located in Lee County, in North Fort Myers, at 10200 Pine Lakes Boulevard and 19371 North Tamiami Trail, respectively. The water distribution system is comprised of approximately 128,175 LF of 2" through 8" water mains serving approximately 1,841 residential units. Both communities are built out and future development or expansion is not expected.

SYSTEM OPERATIONS

Water Treatment

The water distribution system consists of two separate systems: Pine Lakes and Lake Fairways. Both Pine Lakes and Lake Fairways systems are built out with no future development expected.

The Pine Lakes water system is supplied by Lee County through a master meter. The master meter is located on U.S. 41. The Lake Fairways water system consists of two production wells in the Mid Hawthorn Aquifer which send the raw water to a centralized water treatment plant located inside the community. Raw water is sent to a tray aeration unit mounted on the roof of the ground storage tank which removes hydrogen sulfide and small amounts of ferrous iron. Liquid chlorine is used for disinfection.

Treated water is stored in two (2) storage tanks located at the treatment plant. There is a 200,000 gallon concrete ground storage tank and a 7,500 gallon hydropneumatic tank. The Lake Fairways WTP current WUP limit is 37 MG annually (0.101 MGD). During fiscal year 2016, 30.295 MG (0.083 MGD) was withdrawn from the aquifer which is within the WUP limit.

As shown in Table 11, plant flows averaged 0.083 MGD in 2016 – 82% of the plants permitted water use capacity.

Table 11 – North Fort Myers Water Treatment Plant Flows

WTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Lake Fairways – WUP limit	0.101	0.083	82%
Lake Fairways – Treatment Capacity	0.200	0.083	42%

Wastewater Treatment

The North Fort Myers system is served by two separate collection and treatment facilities, the Del Prado WWTP and the Lake Fairways WWTP.

The Del Prado WWTP is located in Northern Lee County in North Fort Myers, at 4100 Del Prado Boulevard, approximately 1.6 miles east of Tamiami Trail (US 41) and serves approximately 42,000 people. The treatment plant was recently expanded to 4.25 MGD annual average daily flow and 4.80 MGD three month average daily flow. The plant is an extended aeration process domestic wastewater treatment facility and includes an influent mechanical screen, a by-pass bar screen, grit removal system, two EQ tanks, two oxidation ditches, two clarifiers, a chemical feed system, two traveling bridge filters, a chlorine contact chamber, a reject chlorine contact chamber, two digesters, a rotary drum thickener with polymer feed system, a lime silo, two sludge holding tanks and a 1.0 MG reuse storage tank. There is also a 4.87 MGD deep injection well located at the WWTP.

The Lake Fairways WWTP is an extended aeration process domestic WWTP with a permitted capacity of 0.300 MGD AADF. The facility consists of an influent screen, one surge tank, two aeration basins, two clarifiers, one digester and a clear well. The facility includes a public access reuse system which is used to irrigate the Pine Lakes golf course.

The annual average daily flow for fiscal year 2016 was 3.665 MGD for the Del Prado WWTP. The current plant flow is within the plant's permitted capacity of 4.25 MGD. These flows have increased as a result of the Waterway Estates interconnect coming online. The Lake Fairways WWTP is also operating well within its permitted capacity.

Table 12– North Fort Myers Wastewater Treatment Plant Flows

WWTP	Permitted Capacity (MGD) TMADF	Three Month ADF (MGD)	Permitted Capacity (MGD) AADF	Average Daily Flow (MGD)	% Capacity AADF
Del Prado WWTP	4.80	4.00	4.250	3.665	86%
Lake Fairways WWTP	N/A	N/A	0.300	0.150	50%

The utility system served a total of 1,855 water customers and 11,963 wastewater customers in fiscal year 2016.

MACDILL AIR FORCE BASE UTILTIY SYSTEM

SERVICE AREA

The MacDill Air Force Base (AFB) is located eight miles south of downtown Tampa on the Southwestern tip of the interbay Peninsula on the west coast of Florida. The AFB privatized utilities in 2011 and ownership of all water and wastewater system assets transferred to the FGUA. The FGUA now has the primary responsibility in operating and maintaining the system.

The MacDill AFB water system serves a population of approximately 12,800. The MacDill AFB purchases treated water from the City of Tampa Water Department through three interconnections. The MacDill AFB water system consists of treatment facilities, water storage tanks, and the transmission/distribution system, along with associated pumps, valves and appurtenances. Flows currently average 0.762 MGD.

The MacDill AFB wastewater system consists of collection facilities, lift stations, force mains, treatment facilities, an effluent disposal system and a biosolids disposal system. The wastewater treatment facility is permitted for 1.20 MGD AADF and is a conventional activated sludge system. The facility was originally constructed in 1952 and has been upgraded 6 times since 1952. The available wastewater treatment and disposal capacities for MacDill AFB are considered adequate to meet present and future demands. Flows currently average around 0.549 MGD.

SYSTEM OPERATIONS

MacDill AFB Water Treatment

Treated water is purchased from the City of Tampa Water Department (CTWD), which utilizes the Hillsborough River as its primary water source. CTWD treatment includes coagulation, flocculation, sedimentation, pH stabilization, disinfection, fluoridation, filtration, and final disinfection with chlorine and ammonia. Water is conveyed to the AFB through three interconnects with CTWD. Each of the three interconnects is equipped with a 6 inch water meter and backflow prevention device.

The water system is well designed with multiple supply points, effective system looping, and sufficient storage capacity. The system utilizes sodium hypochlorite and ammonia to boost disinfection at the AFB.

As shown in Table 13, the MacDill plant flows averaged 0.762 MGD for fiscal year 2016.

Table 13 – MacDill AFB ADF

WTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
All Water Purchased from CTWD	N/A	0.762	N/A

Wastewater Treatment

The wastewater treatment plant is a 1.20 MGD annual average daily flow (AADF) conventional activated sludge system with mechanical bar screen, grit removal, flow equalization basin, pump station, fine bubble aeration basin, clarifiers, sand filters, chlorine contact basin and effluent pumping. Current plant flow is approximately 0.549 MGD or 46% of the total plant capacity.

Treated effluent is sent to the north pond to supply two golf courses for irrigation. The golf courses include about 320 acres of land on the base.

The annual average daily flow was 0.549 MGD. The current plant flow is within the plant's permitted capacity of 1.20 MGD.

Table 14 – MacDill AFB Wastewater Treatment Plant Flows

WWTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Totals	1.20	0.549	46%

LAKE AQUA UTILITY SYSTEM

SERVICE AREA

FGUA currently owns and operates twenty-five (25) water treatment plants (WTPs) and seven (7) wastewater treatment facilities (WWTFs) in Lake County, Florida consisting of both residential and commercial customers.

SYSTEM OPERATIONS

Water Treatment

The water treatment systems provide potable drinking water to approximately 5,040 customers. Most of the water systems are relatively small, with 16 of the 25 systems serving 200 connections or less. Nine of the water treatment systems serve a customer base that ranges from 200 to 400 connections. The largest system in the group (Silver Lake Estates Water Treatment Plant) has a treatment capacity of 0.629 million gallons per day (MGD). Each water treatment system utilizes one or two water supply wells, most of which are permitted by the Florida Department of Environmental Protection and have a Consumptive Use Permit (CUP) from the St. Johns River Water Management District (SJRWMD).

As shown in Table 15, all Lake System plant flows were under capacity with the exception of Haines Creek.

Table 15 – Lake Aqua System Flows

WTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
48 Estates – Plant Design Capacity	0.0570	0.015	26%
Carlton Village – WUP Limit	0.1175	0.053	45%
East Lake Harris Est. – WUP Limit	0.0329	0.019	58%
Fairways at Mt. Plymouth – WUP Limit	0.232	0.084	36%
Fern Terrace – WUP Limit	0.0484	0.020	41%
Friendly Center	N/A	0.001	N/A
Grand Terrace– WUP Limit	0.0409	0.016	39%
Haines Creek– WUP Limit	0.0061	0.012	197%
Hobby Hills– WUP Limit	0.0270	0.011	41%
Holiday Haven - Interconnect	N/A	0.011	N/A
Imperial Terrace	0.0300	0.014	47%
King's Cove– WUP Limit	0.1360	0.039	29%
Morningview– WUP Limit	0.0134	0.007	52%
Palms MHP– WUP Limit	0.0215	0.012	56%
Picciola– WUP Limit	0.0517	0.029	56%
Piney Woods & Spring Lk Manor-WUP	0.0663	0.030	45%
Quail Ridge– WUP Limit	0.0274	0.015	55%
Ravenswood– WUP Limit	0.0170	0.007	41%
Silver Lake Estates – WUP Limit	0.6290	0.364	58%
Skycrest – WUP Limit	0.0277	0.017	61%
Stone Mountain– WUP Limit	0.0137	0.001	7%
Summit Chase– WUP Limit	0.0581	0.037	64%
Valencia Terrace– WUP Limit	0.1166	0.045	39%
Venetian Village– WUP Limit	0.0475	0.024	51%
Western Shores – Interconnect w/ Silver Lakes Estates	N/A		N/A

Wastewater Treatment

The seven (7) WWTFs serve a total of 1,243 customers in Lake County. These facilities range in size from 20,000 to 80,000 gallons per day. Process treatment at each facility consists of extended aeration treatment for domestic wastewater using chlorine disinfection for final treatment prior to effluent discharge. Effluent disposal usually consists of rapid infiltration basins or permitted reuse facilities using sprayfields.

As shown in Table 16, all Lake Aqua System WWTP flows were under capacity leaving room for growth if needed.

Table 16 – Lake Aqua Wastewater Treatment Plant Flows

WWTP	Permitted Capacity (MGD) AADF	Average Daily Flow (MGD)	% Capacity
Fairways at Mt. Plymouth	0.075	0.034	45%
Holiday Haven	0.025	0.014	56%
King's Cove	0.055	0.026	47%
Morningview	0.020	0.005	25%
Summit Chase	0.054	0.018	33%
Valencia Terrace	0.080	0.029	36%
Venetian Village	0.036	0.026	72%

The Lake Aqua Utility System served a total of 5,040 water customer accounts and 1,243 wastewater customer accounts as of September 30, 2016.

PASCO AQUA UTILITY SYSTEM

SERVICE AREA

The FGUA Pasco Aqua Utility System is comprised of three potable water systems that serve approximately 3,272 connections, primarily residential. Two of these systems, Jasmine Lakes and Zephyr Shores have their own water treatment plants (WTPs) while the third system, Palm Terrace, purchases water from Pasco County Utilities and requires no additional treatment before distribution to its customers. FGUA uses both treated groundwater and purchased water to serve its customers in the Pasco Aqua Utility System.

Jasmine Lakes

The Jasmine Lakes Water Treatment Plant (WTP) is located at 7612 Pineapple Lane in Port Richey. Four (4) groundwater supply wells, referenced as the Oak Hill and Hickory Hill wells, provide the source of water for the Jasmine Lakes WTP.

Jasmine Lakes WTP has four groundwater wells that pump water into a 500,000 gallon, concrete ground storage tank for raw water storage. The raw water is treated by chlorination after it is pumped from the ground storage tank and receives disinfection contact time in a 20,000 gallon hydropneumatic tank prior to entering the distribution system. The hydropneumatic tank does not contain air, so it is acting solely as a contact tank.

The Jasmine Lakes WWTF is a Type II extended aeration domestic wastewater treatment facility located at 1000 Holly Lane in Port Richey. The WWTF has a capacity of 370,000 gallons per day (gpd) permitted on the basis of a three-month rolling average daily flow (3MRAF). It is limited to 308,000 gpd annual average daily flow (AADF) however due to limited effluent disposal.

Palm Terrace

Palm Terrace Gardens is located north of the Jasmine Lakes utility system in Port Richey, and is a consecutive system that purchases all of its water from Pasco County Utilities.

The Palm Terrace Gardens WWTF is located at 116 Arbordale Drive in New Port Richey, and has a permitted AADF capacity of 130,000 gallons per day (gpd). The facility is permitted in terms of annual average daily flow (AADF) and is a Type II, extended aeration domestic wastewater treatment facility.

Zephyr Shores

The Zephyr Shores water treatment plant is located at 35235 State Road 54 in Zephyrhills. The WTP is served by two (2) water supply wells that are located on the plant site.

Zephyr Shores WTP has two wells that pump water into a hydropneumatic tank. The system was recently converted to chloramines and the emergency interconnect with Pasco County was rehabilitated.

The Zephyr Shores wastewater system is a collection system only. Wastewater is sent to Pasco County Utilities for treatment.

SYSTEM OPERATIONS

As shown in Table 17, all Pasco Aqua System plant flows were under capacity with the exception of Zephyr Shores which was at 118% of its WUP limit.

Table 17 – Pasco Aqua System Flows

WTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Jasmine Lakes – WUP Limit	0.318	0.212	67%
Palm Terrace - Interconnect	N/A	0.132	N/A
Zephyr Shores – WUP Limit	0.028	0.033	118%

Table 18 – Pasco Aqua Wastewater Treatment Plant Flows

WWTP	Permitted Capacity (MGD) AADF	Average Daily Flow (MGD)	% Capacity
Jasmine Lakes	0.308	0.204	66%
Palm Terrace	0.130	0.104	80%
Zephyr Shores - Interconnect	N/A	N/A	N/A

The Pasco Aqua Utility System served a total of 3,272 water customer accounts and 3,106 wastewater customer accounts as of September 30, 2016.

UNIFIED AQUA UTILITY SYSTEM

SERVICE AREA

The FGUA owns and operates 43 water treatment systems and 12 wastewater systems located throughout various Florida counties which include Alachua, Citrus, Hardee, Lee, Marion, Orange, Polk, Putnam, Seminole, and Volusia Counties. These facilities are collectively referred to as the Unified Systems.

SYSTEM OPERATIONS

Water Treatment

Permitted capacities for the water treatment systems range from a minimum of 21,096 gpd (Putnam County) to a maximum of 541,589 gpd (Seminole County). Twelve (12) of the water systems do not have consumptive use permits due either to the smaller size of their system or because the facility purchases water from a neighboring utility. Most of the water facilities are relatively small with 31 systems serving 200 connections or less. Seven (7) of the water treatment systems serve between 200 and 400 connections while the largest system in the group (Seminole County - Chuluota) has a permitted capacity of 0.542 million gallons per day (MGD) and serves 1,410 connections. Each water treatment system utilizes one or two water supply wells, most which are permitted by the Florida Department of Environmental Protection and have a Consumptive Use Permit (CUP) from one of the Florida Water Management Districts (WMDs).

As shown in Table 19, all Unified System plant flows were under capacity with the exception of the Twin Rivers WTP which is slightly over capacity.

Table 19 – Unified System Flows

WTP	Permitted Capacity (MGD)	Average Daily Flow (MGD)	% Capacity
Arredondo Estates – WUP Limit	0.068	0.032	47%
Beecher's Point - Interconnect	0.025	0.009	36%
Belleair - Interconnect	N/A	0.045	N/A
Belleview Hills & JA - Interconnect	N/A	0.017	N/A
Belleview Hills Est. - WUP Limit	0.092	0.050	54%
Breeze Hill – WUP Limit	0.054	0.007	13%
Castle Lake	0.167	0.012	7%
Chappell Hills	0.065	0.006	9%
Chuluota– WUP Limit	0.540	0.426	79%
Fairfax Hills	0.100	0.012	12%
Gibsonia– WUP Limit	0.075	0.035	47%
Harmony Homes– WUP Limit	0.023	0.010	43%
Hawk's Point– WUP Limit	0.042	0.019	45%
Hermit's Cove/St. John's Highlands	0.130	0.030	23%
Interlachen/P.M. – WUP Limit	0.056	0.030	54%

Jungle Den - Interconnect	N/A	0.005	N/A
Kenwood North	0.115	0.006	5%
Lake Gibson– WUP Limit	0.243	0.127	52%
Marion Hills	0.036	0.005	14%
Meadows, The	0.160	0.008	5%
Ocala Oaks– WUP Limit	0.286	0.132	46%
Orange Hill & Surgar Creek– WUP Limit	0.071	0.038	54%
Palm Port – WUP Limit	0.021	0.010	48%
Peace River	0.129	0.023	18%
Pine Valley	0.044	0.007	16%
Pomona Park	0.170	0.023	14%
Ridge Meadows	0.130	0.007	5%
River Grove	0.030	0.018	60%
Rosalie Oaks	0.125	0.007	6%
Saratoga Harbor	0.158	0.003	2%
Welaka	0.086	0.013	15%
Silver Lake Oaks	0.032	0.005	16%
Tangerine– WUP Limit	0.127	0.073	57%
Tomoka View– WUP Limit	0.053	0.037	70%
Twin Rivers– WUP Limit	0.022	0.023	105%
Village Water - Interconnect	N/A	0.081	N/A
West Citrus	0.072	0.009	13%
West View	0.050	0.006	12%
Woodberry Forest - Interconnect	N/A	0.015	N/A
Wootens	0.036	0.002	6%

Wastewater Treatment

The twelve wastewater systems range in size from 12,000 to 264,000 gpd. The collections systems which serve these facilities include approximately 166,000 linear feet of gravity mains and force mains in addition to associated pump stations. Two of the wastewater systems (Lake Gibson and Beecher's Point) pump flows to a neighboring utility for treatment and disposal. The remaining ten systems in the group have treatment facilities consisting of extended aeration process treatment for domestic wastewater using chlorine disinfection for final treatment prior to effluent discharge. Depending on the facility, effluent disposal consists of using permitted reuse facilities comprised of rapid infiltration basins, percolation ponds, holding ponds and sprayfields spray irrigation (golf course), or through an existing reclaimed water agreement (City of Oviedo).

As shown in Table 20, all Unified System plant flows were under capacity with the exception of the Village Water WWTP which is slightly over capacity.

Table 20 – Unified Wastewater Treatment Plant Flows

WWTP	Permitted Capacity (MGD) AADF	Permitted Capacity (MGD) TMADF	Three Month Average Daily Flow (MGD)	Average Daily Flow (MGD)	% Capacity
Beecher's Point	0.014	N/A	N/A	0.008	57%
Breeze Hill	N/A	0.040	0.029	0.021	73%
Chuluota	0.150	N/A	N/A	0.119	79%
Fl. Cent. Comm. Pk.**	0.095	N/A	N/A	0.027	28%
Jungle Den	0.021	N/A	N/A	0.015	71%
Lake Gibson*	N/A	N/A	N/A	N/A	N/A
Palm Port	0.030	N/A	N/A	0.013	43%
Park Manor	0.015	N/A	N/A	0.008	53%
Peace River	N/A	0.040	0.037	0.032	93%
Rosalie Oaks	N/A	0.040	0.033	0.028	83%
Silver Lake Oaks	0.012	N/A	N/A	0.005	42%
South Seas	0.264	N/A	N/A	0.145	55%
Village Water	0.045	0.075	0.053	0.048	107%

*Lake Gibson is an Interconnected System

** Florida Central Commerce Park WWTP decommissioned in Sept 2016 and interconnected with the city of Longwood.

The Unified Aqua Utility System served a total of 7,699 water customer accounts and 1,992 wastewater customer accounts as of September 30, 2016.

Economic Condition

The information presented in the financial statement is perhaps best understood when it is considered from the broader perspective of the specific environment within which the FGUA utility systems are located.

Both the Lehigh Acres system and the North Fort Myers system are located in Lee County, which had been one of the fastest growing regions in the nation until the downturn in the housing market. According to data from the Florida Legislature Office of Economic and Demographic Research, Lee County's population was anticipated to increase from 618,754 in 2010 to 680,539 in 2016, an increase of 10.0%. The increase in the number of housing units permitted in Lee County increased from 4,095 in 2014 to 6,879 in 2015, an increase of 67.99%. The unemployment rate continued to decline from the peak of 12.6% in 2010 to 5.0% in 2015. Recent foreclosure information suggests that the housing market is slowly improving, but significant recovery may take a number of years. Personal bankruptcy filings improved from 2.29 per 1,000 of population in 2015 to 1.58 per 1,000 of population as of September 30, 2016. The two Lee County systems have a significant amount of undeveloped land for future growth and expansion.

The Golden Gate System is located in Collier County. There is limited potential for new residential and commercial growth with the Golden Gate service area. According to data from the Florida Legislature Office of Economic and Demographic Research, Collier County's population was anticipated to increase from 321,500 in 2010 to 350,202 in 2016, an increase of 8.9%. The increase in the number of housing units permitted in Collier County increased from 3,310 in 2014 to 4,060 in 2015, an increase of 12.47%. The unemployment rate continued to decline from the peak of 11.6% in 2010 to 5.2% in 2015. Personal bankruptcy filings improved from 2.68 per 1,000 of population in 2015 to 1.37 per 1,000 of population as of September 30, 2016.

The Pasco, Lindrick, Consolidated and Pasco Aqua Utility Systems are located in Pasco County. According to data from the Florida Legislature Office of Economic and Demographic Research, Pasco County's population is anticipated to increase from 464,697 in 2010 to 495,868 in 2016, an increase of 6.7%. The number of housing units permitted in Pasco County decreased from 2,785 in 2014 to 2,639 in 2015, a decrease of (5.2%). The unemployment rate continued to decline from the peak of 11.9% in 2010 to 5.8% in 2015. Personal bankruptcy filings continued to improve from 2.72 per 1,000 of population in 2015 to 2.37 per 1,000 of population as of September 30, 2016. Again, recent data suggests an improvement in market conditions. Portions of the FGUA service areas in Pasco County (Seven Springs) have significant potential for future growth and development, while others have limited growth opportunities.

The Lake Aqua Utility Systems are located in Lake County. The FGUA service area within Lake County is largely built out and has limited growth opportunities. According to data from the Florida Legislature Office of Economic and Demographic Research, Lake County's population is anticipated to increase from 297,047 in 2010 to 323,985 in 2016, an increase of 9.1%. The number of housing units permitted in Lake County increased from 2,488 in 2014 to 2,778 in 2015, an increase of 11.7%. The unemployment rate continued to decline from the peak of 11.8% in 2010 to 5.4% in 2015. Personal bankruptcy filings continued to improve from 3.07 per 1,000 of population in 2015 to 2.45 per 1,000 of population as of September 30, 2016.

The Unified Aqua Utility System is spread throughout 10 different Florida Counties. A majority of the customers are located within Seminole County and Polk County. According to released data from the Florida Legislature Office of Economic and Demographic Research, Florida's population is anticipated to increase by 311,405 from 2015 to 2020. The number of housing units permitted in Florida is back in positive territory, showing continued strong growth throughout the State. The unemployment rate continued to decline from the peak of 10.5% in 2010 to 4.9% as of September 30, 2015.

Internal Control

In developing and evaluating the FGUA's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (a) the cost of a control should not exceed the benefits likely to be derived there from; and (b) the evaluation of costs and benefits requires estimates and judgments by management. We believe all internal control evaluations occur within the above framework and that the FGUA's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Control

The FGUA maintains a system of budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. The FGUA also maintains an encumbrance system as one method of maintaining budgetary control. Encumbered amounts lapse at year end; however, outstanding encumbrances are re-appropriated as part of the following year's budget.

The budget process begins in the spring, when the staff develops proposed capital projects and operating budgets, with input from the Capital Program and Operations Managers and the Contract Operator. A planning retreat by the Board of Directors and senior staff is conducted in February or March of each year and is used to establish or update long-range system goals. Detailed budgets are presented by staff to the Systems Manager in late May. The System Manager's budget is forwarded to the Board of Directors in June. Any adjustments to the budget, to include public hearings for any necessary rate changes, are typically conducted in August and September. The Board of Directors approves the final budget at a public hearing in September for the new fiscal year that begins October 1.

As demonstrated by the statements and schedules included in the financial section of this report, the FGUA meets its responsibility for sound financial management.

Factors Affecting Financial Condition

Capital Improvement Program – The FGUA has adopted a five-year Capital Improvement Program (CIP) for the years 2017 to 2021, which outlines additions and improvements to its utility systems. The FGUA reviews and updates this five-year plan annually, authorizing appropriations for those projects scheduled to be started during the ensuing fiscal year. The cost of all new projects for fiscal year 2017 is approximately $18.9 million, and is estimated to total $60.0 million for the fiscal years 2017 – 2021. The CIP for each system is segregated into five major program areas, as follows:

Wastewater Collection – This program calls for improvements to existing wastewater lines as well as the addition of new lines as the customer base increases. This program also calls for renewal of the existing system by repairing lines that allow infiltration/inflow and the rehabilitation of lift stations.

Wastewater Treatment Facilities/Disposal – This program seeks to increase existing capacity as well as upgrade existing facilities. The objectives of this program are to promote reuse of reclaimed water, protect the environment, ensure that treatment capacity is available for growth, and ensure that facilities are in compliance with regulations of the United States Environmental Protection Agency and the State of Florida Department of Environmental Protection.

Water Treatment Facilities (Water Production/Treatment) – This program ensures that the FGUA is able to deliver water to its customers during peak periods by expanding current production capabilities. This program also includes a comprehensive renewal program which provides for maintenance of water tanks, well pump facilities, well power systems, and filtration equipment.

Water Distribution – This program calls for improvements to existing water lines as well as the addition of new lines as the customer base increases.

Meters – In order to maintain accurate water usage data for appropriate billing and reporting, the FGUA replaces meters each year. Most residential meters are replaced at ten years of age. Larger meters need to be replaced more frequently.

General Projects – Specific project cost centers are created for special large projects as needed.

The successful implementation of FGUA's Capital Improvement Program calls for a portion of funding to be provided through existing balances of construction funds from bonds, with the remaining amounts to be funded from operating revenues and impact fees.

Financial Policies

In January 2009, the FGUA Board approved a Net Asset (Working Capital) Policy in order to maintain and improve financial stability and manage its financial resources for its various enterprise funds to: (1) provide sufficient cash flow for daily financial needs, (2) secure and maintain the highest possible investment grade bond ratings, (3) position properly for significant economic downturns or revenue shortfalls, and (4) provide funds for unforeseen expenditures related to emergencies.

The FGUA's investment policy is designed to minimize credit and market risk while maintaining a competitive yield on its investments. As of the end of the Fiscal Year all deposits were entirely covered by either federal depository insurance or pooled collateral held by the State Treasurer pursuant to Chapter 280, Florida Statutes.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a fourteenth consecutive Certificate of Achievement for Excellence in Financial Reporting to the Florida Governmental Utility Authority for its Comprehensive Annual Financial Report for the fiscal year ending September 30, 2015. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the financial staff. Appreciation is expressed to all those who assisted and contributed to its preparation and to the Board for its interest and support in planning and conducting the operations of the FGUA in a responsible manner.

Respectfully submitted,

Stephen M. Spratt, System Manager

David M. DiLena, CPA, Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

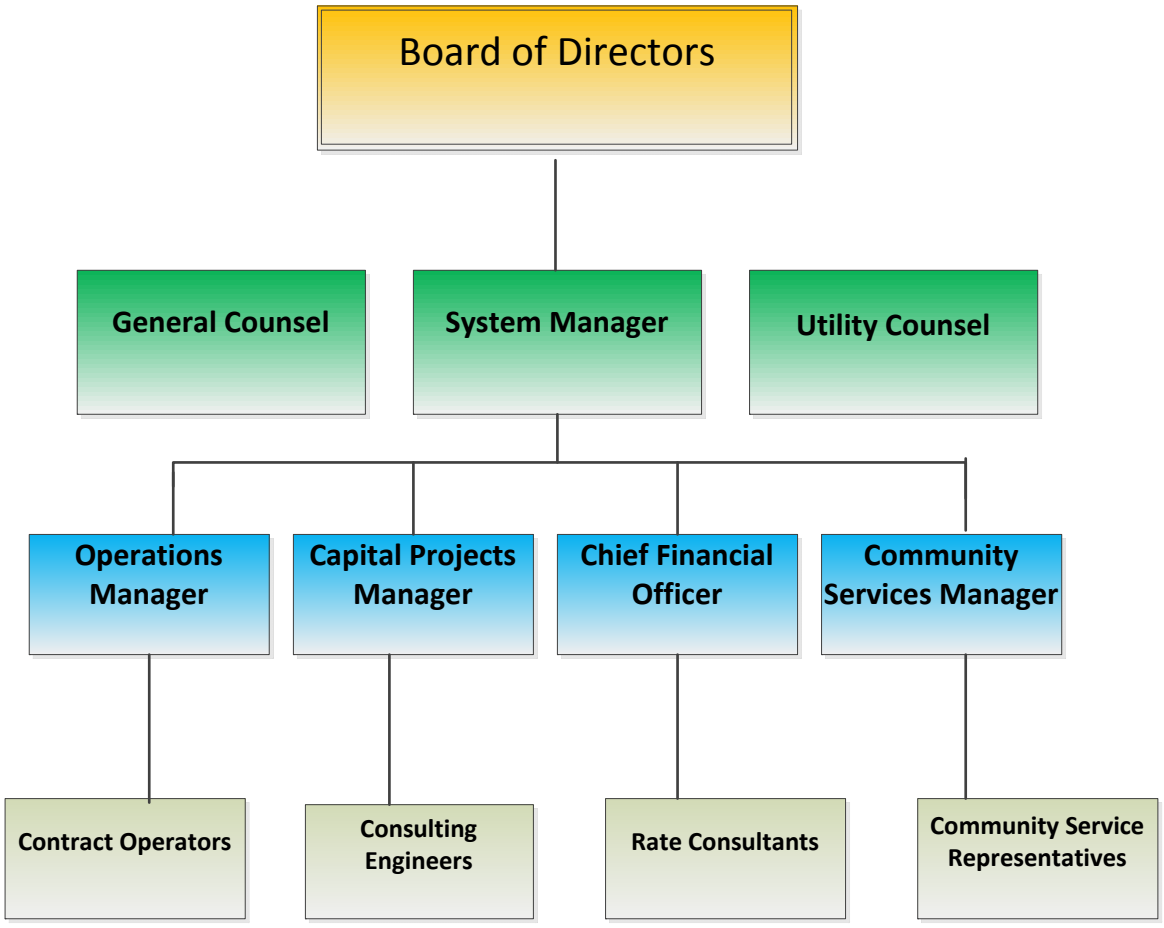
Florida Governmental Utility Authority

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

FGUA ORGANIZATION CHART



List of Principal Officials

Board Members

Name	Local Government	Title
Lea Ann Thomas, Chair	Polk County	Deputy County Manager
Marjorie Craig (Alternate)	Polk County	Utilities Director
James Cheek, P.E., Vice Chair	Citrus County	Director of Water Resources Department
Christina Malmberg (Alternate)	Citrus County	Water Resources Department
C.B. Flip Mellinger	Pasco County	Assistant County Administrator
Robert J. Sigmond (Alternate)	Pasco County	Fiscal and Business Services Director
Doug Muerer, P.E.	Lee County	Assistant County Manager, Public Works
Pam Keyes, P.E. (Alternate)	Lee County	Utilities Director
Shane Parker, P.E., Vice Chair	Hendry County	County Engineer
Angel Roussel, P.E.	Marion County	Director of Marion County Utilities
Brian Moree (Alternate)	Marion County	Assistant County Administrator

Systems Manager

Government Services Group, Inc.
Stephen Spratt, Vice President
David M. DiLena, CPA, Chief Financial Officer

General Counsel

Pennington, P.A.
John C. Pelham

Utility Counsel

Nabors, Giblin & Nickerson, P.A.
Heather Encinosa

Bond Counsel

Nabors, Giblin & Nickerson, P.A.
Chris Traber

Rate Consultant

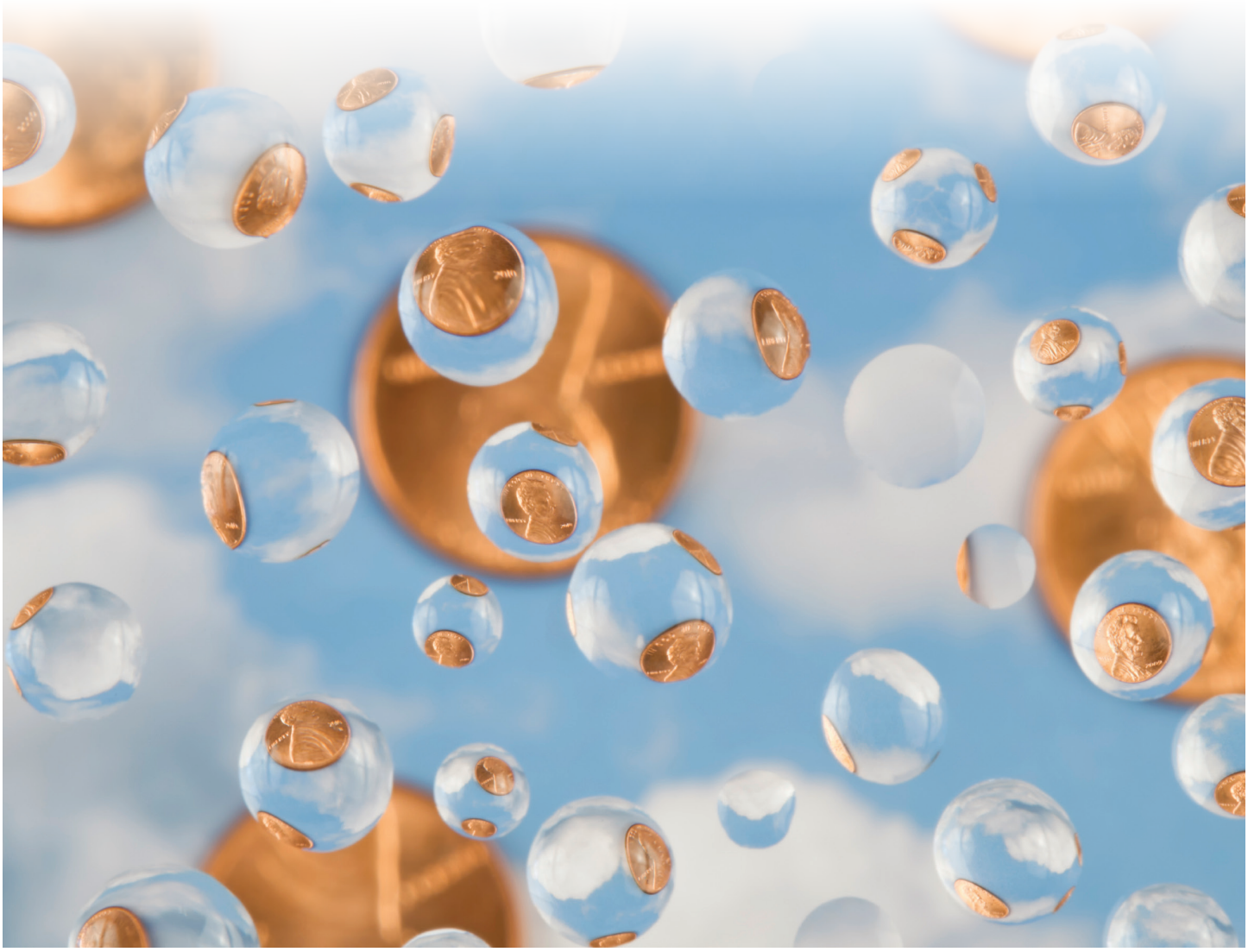
Public Resources Management Group, Inc.
Robert J. Ori, President

Financial Advisor

Ford & Associates, Inc.
Jon Ford

TAB 2

Financial Section



James Moore
Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Florida Governmental Utility Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of Florida Governmental Utility Authority (the Authority), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/252-0209
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Member of AGN International with offices in principal cities worldwide

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and each major fund of the Authority, as of September 30, 2016 , and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory and statistical sections are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section and statistical sections 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 10, 2017, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Authority's internal control over financial reporting and compliance.

James Moore & Co., P.L.

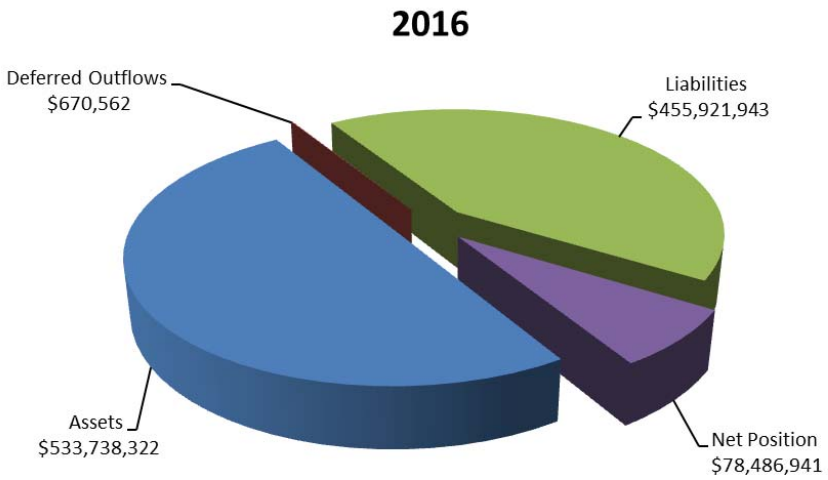
Daytona Beach, Florida
March 10, 2017

FLORIDA GOVERNMENTAL UTILITY AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

As management of the Florida Governmental Utility Authority (FGUA), we offer readers of the FGUA's financial statements this narrative overview and analysis of the financial activities for the fiscal year ending September 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

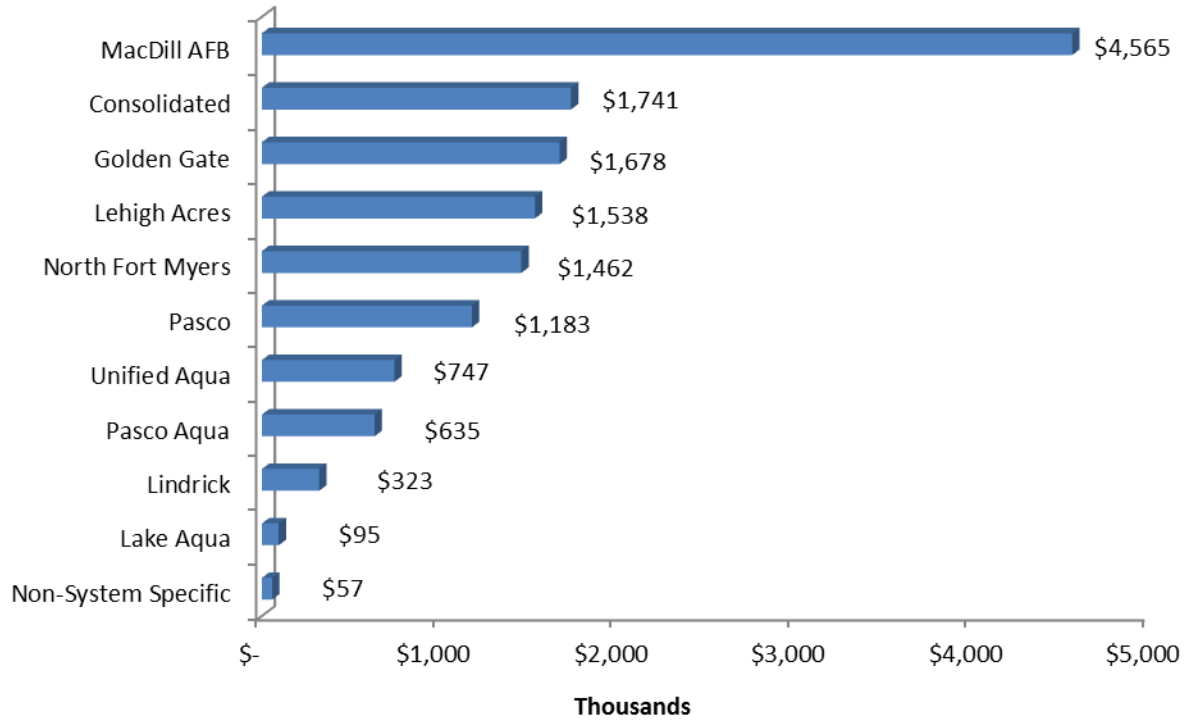
The assets and deferred outflows of the FGUA exceeded its liabilities and deferred inflows at the close of fiscal year 2016 by $78,486,941 as the chart to the right indicates. Of this amount, $52,844,021 may be used to meet the FGUA's ongoing obligations to citizens and creditors (Unrestricted Net Position). This is an increase of $10,428,714 or 25% in unrestricted net position from the prior year.



FGUA's total net position increased by $14 million in fiscal year 2016. As the chart on the next page indicates, all systems net positions increased as follows:

- The MacDill AFB Utility System contributed $4.6 million or 32.6% of the increase in total net position, primarily thanks to capital grants.
- The Consolidated Utility System contributed $1.7 million or 12.4% of the increase in total net position.
- The Golden Gate Utility System contributed $1.7 million or 12% of the increase in total net position.
- The Lehigh Utility System contributed $1.5 million or 11% of the increase in total net position, primarily because of cost saving from bond refunding.
- The Lake Aqua, Pasco Aqua, and Unified Aqua Utility Systems contributed a combined $1.5 million or 10.5% of the increase in total net position.
- The North Fort Myers Utility System contributed $1.5 million or 10.4% of the increase in total net position.
- The Pasco Utility System contributed $1.2 million or 8.4% of the increase in total net position.
- The Lindrick Utility System contributed $322,996 or 2.3% of the increase in total net position.
- The Authority has one non-specific fund that pre-pays expenses, and then is reimbursed by the appropriate enterprise funds upon determination of a reasonable allocation basis. It also pays for the rare non-allocable expenses for minor contractual services provided to the Authority. This fund had an increase in net position of $57,484, which increased the FGUA total net position by 0.4%.

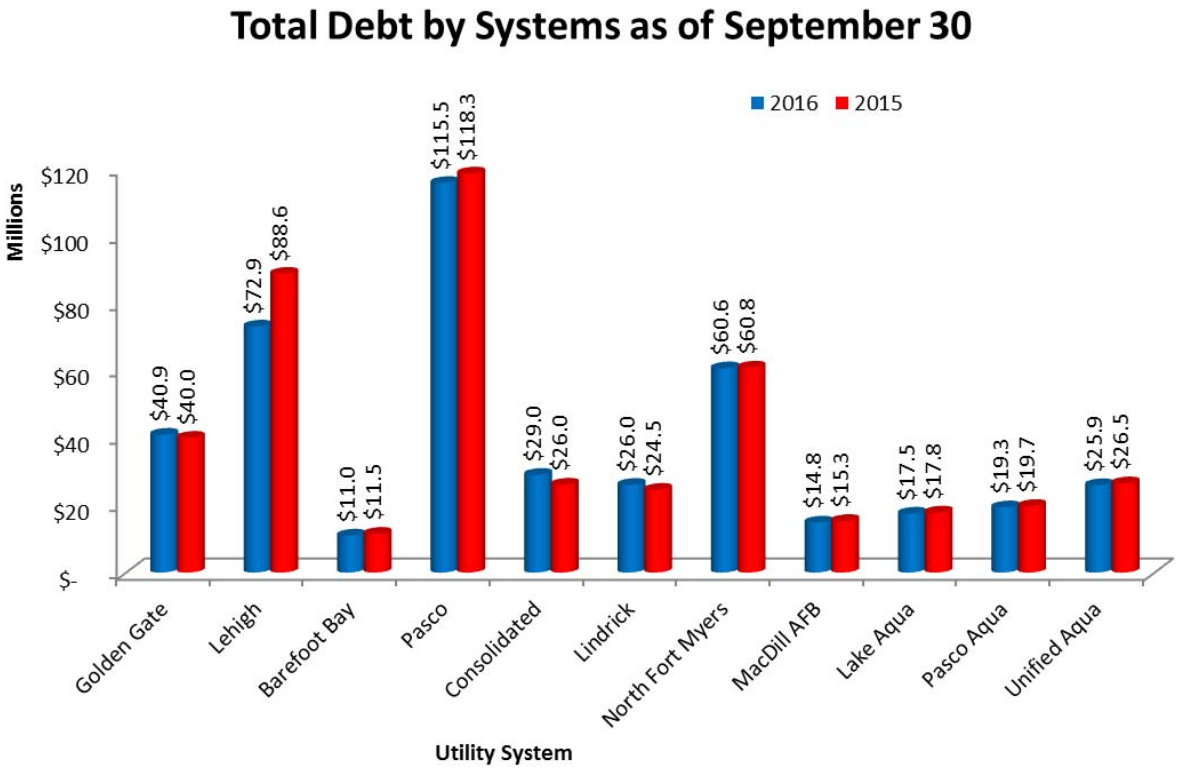
Increase (decrease) in Net Position by System for the Year Ending September 30, 2016



The net decrease in total debt as of September 30, 2016 was $15,670,608. As the chart on the next page indicates, the Lehigh Utility system had the greatest decrease in debt ($15.6 million). The proceeds from the Lehigh Series 2014 Refunding Revenue Bonds ($19.6 million) were placed into an Escrow Deposit Agreement with Wells Fargo Bank on October 8, 2014 (FY 2015), and were paid out to the series 2005 bondholders on October 1, 2015 (FY 2016).

The Barefoot Bay Utility System is treated like a custodial fund, where FGUA records the outstanding debt, along with the restricted assets secured to pay the debt as it becomes due. In fiscal year 2016, principal payments reduced the debt in this system by $530,000.

While most of the utility systems experienced a decrease in total debt, Golden Gate, Lehigh, North Fort Myers, Lindrick and Consolidated Utilities took on debt to fund an energy savings program. These five utility systems are currently installing more efficient equipment. The savings from more efficient equipment is expected to be more than adequate to repay the additional debt. More information can be found in **Note 7** of the **Financial Section.**



OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Florida Governmental Utility Authority's (FGUA) basic financial statements. Since the FGUA is a special-purpose government involved solely in the provision of water and wastewater services to its customers on a fee basis, all funds are accounted for in Proprietary Funds, specifically eleven enterprise funds. Therefore, there are no government-wide financial statements, as they would be redundant to the fund financial statements. This report contains fund financial statements and notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The FGUA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the FGUA are proprietary funds, with one fund set up for each geographically separate utility system operated by the FGUA.

Proprietary Funds

The FGUA operates only one type of proprietary fund, and a separate enterprise fund is maintained for each utility system. Enterprise funds are used to report business-type functions, which recover all or a significant portion of their costs through user fees and charges.

The proprietary fund financial statements are comprised of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. The Statement of Net Position presents information on the FGUA's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. The Statement of Revenues, Expenses and Changes in Net Position presents information on the revenues received, the expenses incurred, and the positive or negative results of the individual utility system's increase or decrease in net position, presented on an accrual basis. The Statement of Cash flows provides information on the cash flows of each utility system, based on operations, financing activities, capital uses, and investment activities and a supplemental schedule of noncash activities.

Notes to the Financial Statements The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

Other Information In addition to the basic financial statements and accompanying notes, this report also presents supplementary information concerning its compliance with the funding of outstanding debt issues. This information, known as Coverage Ratios, is provided as part of the information contained in the Statistical Section of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Florida Governmental Utility Authority, the assets and deferred outflows exceeded the liabilities and deferred inflows by $78 million at the close of fiscal year 2016. See the condensed Statement of Net Position on the table on the next page.

- Net investment in capital assets (e.g. land, buildings, and equipment) is presented net of any depreciation and the outstanding balances of any bond or other borrowings that are attributed to the acquisition, construction, or improvements of those assets. These assets are used to provide services to our customers, and consequently, these assets are not available for future spending (restricted). Net investment in capital assets ended the year with a deficit balance of $16,569,953 which is a $741,920 decrease from the prior year deficit balance of $17,311,873. The deficit decreased because more capital assets were added than depreciation was expensed, and because more capital asset-related debt was paid off than was incurred.
- Net Position Restricted for Capital Projects ended the year with a balance of $12,586,073, which is an increase of $1.8 million. This is the balance in the Renewal and Replacement fund and the Water Capacity and Wastewater Capacity funds. These funds are restricted impact fees and by bond covenants to be used only for the purchase or construction of capital assets to renew and expand the utilities' assets.
- Net Position Restricted for Debt Service ended the year with a balance of $29,626,800 which is an increase of $1,052,615 as compared to the prior year. Restricted for Debt Service represents resources reserved for payment of the debt service (principal and interest) on external debt; consequently, these assets are not available for other uses.
- Net Position Unrestricted ended the year with a balance of $52,844,021 which is an increase of $10.4 million or 24.6% as compared to the prior year and is available for other budgetary uses of the FGUA.

Florida Governmental Utility Authority Condensed Statement of Net Position

	2016	2015
Current & Other Assets	$ 256,835,496	$ 259,816,084
Capital Assets	276,902,826	277,163,602
Assets	**533,738,322**	**536,979,686**
Deferred loss on bond refunding	670,562	384,214
Deferred Outflows	670,562	384,214
Assets & Deferred Outflows	**$ 534,408,884**	**$ 537,363,900**
Long Term Liabilities	$ 422,546,779	$ 418,245,036
Other Liabilities	33,375,164	54,655,783
Total Liabilities	**455,921,943**	**472,900,819**
Net Position		
Net investment in Capital Assets	(16,569,953)	(17,311,873)
Restricted for Capital Projects	12,586,073	10,785,462
Restrcited for Debt Service	29,626,800	28,574,185
Unrestricted	52,844,021	42,415,307
Total Net Position	**$ 78,486,941**	**$ 64,463,081**

In the past year, assets decreased by $3 million or 0.60%. The cash in from the additional $15 million from SunTrust for the Energy Savings program offset the $19 million that was paid to defease the Lehigh 2005 Series bonds. The remainder of the decrease in assets is the interrelation between the increase in operating income, debt service payments, and deprecation. Deferred Outflows increased by $286,348 as the FGUA began amortizing a loss on the advance refunding of the Lehigh Series 2005 bonds.

Total liabilities decreased by $17 million or 3.6%. Short term liabilities decreased most significantly because of the $19 million refunding of the Lehigh 2005 bonds in October 2015. Despite the issuance in $15 million in new debt for the Energy Savings program, long term liabilities increased only $4.3 million, because the FGUA pays approximately $10 million a year in principal.

The increase in net position of $14 million represents the degree to which revenues have exceeded expenses in the past year combined with the decrease in debt. The refundings of Golden Gate and Lehigh bonds over the past three years has resulted in significantly lower interest expense. See chart on the next page.

Operating revenues increased 4.46% which was adequate to cover the 3.45% increase in operating expenses. The increase in operating revenues is partially due to rate increases which varied by system between 1.7% to 3.2%. Additionally, one of the most significant changes was the adoption of an inactive charge effective October 1, 2015 on the Aqua system rates. This effectively spreads base fees more fairly across all connections, and is practiced in all the other FGUA utilities.

Operating expenses increased 3.45%. Nearly 90% of the FGUA's operating expenses are set in multi-year contracts which increase annually on an agreed-up consumer price index.

For the fiscal year ending September 30, 2016, all of the FGUA utility systems' net positions increased. The FGUA continues to maintain a financially healthy system. The unrestricted cash balance increased by 24% from $39.4 million at FYE 2015 to $49.1 million at FYE 2016, showing a financially healthy utility system with good liquidity.

Florida Governmental Utility Authority Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2016	2015
Operating revenues		
Water and wastewater revenues	$ 80,618,152	$ 76,532,418
Other operating revenues	2,892,330	3,413,729
Operating expenses	(40,562,861)	(39,211,592)
Operating income before depreciation and amortization	42,947,621	40,734,555
Depreciation and amortization	(18,737,495)	(18,191,389)
Operating income	24,210,126	22,543,166
Non-Operating revenues (expenses)		
Investment revenue, net	754,268	709,064
Operating grants	292,386	-
Miscellaneous non-operating revenues	295,944	270,238
Interest expense, net	(17,468,033)	(18,562,920)
Debt issuance cost	(153,398)	(621,419)
Income (loss) before capital contributions	7,931,293	4,338,129
Recoverable portion of purchase price (MacDill)	1,528,480	1,523,016
Capital contributions and grants	4,564,087	4,222,335
Change in net position	14,023,860	10,083,480
Total net position - beginning	64,463,081	54,379,601
Total net position - end of year	**$ 78,486,941**	**$ 64,463,081**

SIGNIFICANT CAPITAL ASSET AND LONG TERM DEBT ACTIVITY

The fiscal year ending September 30, 2016 represents the seventeenth full fiscal year of the FGUA's operations. During this period, the following significant events occurred:

Capital Assets

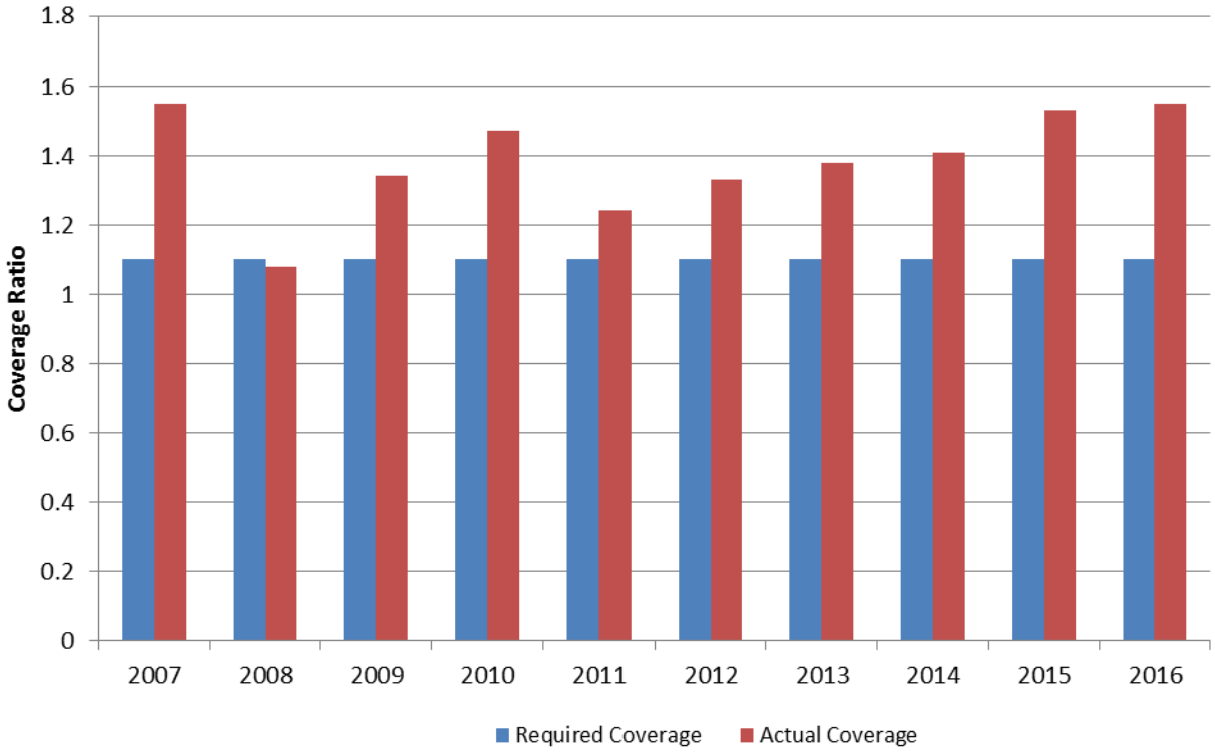
During FY 2016, the FGUA's net capital assets remained nearly unchanged, with renewals and capital additions near equal to depreciation. The MacDill AFB Utility System accounted for $3.5 million of the increase in net capital assets during the year thanks to federally-funded capital asset grants. On the other hand, Lehigh and North Fort Myers saw decreases in capital asset values of $2.9 million and $1.1 million respectively, while large capital projects were awaiting bid results or were put on hold by regulatory agencies. The remaining systems showed small increases or decreases in net capital assets. Of the $277 million recorded for Capital Assets (net of depreciation), $6 million represent costs incurred for capital projects that are under construction, but not yet completed as of September 30, 2016. Additional information on the FGUA's capital assets can be found in **Note 6** of the **Financial Section**.

Debt Administration

On September 30, 2016, the FGUA had outstanding debt in the amount of $430 million in the form of revenue bonds, state revolving loans, seller financed notes and a capital lease. This is a decrease of $15 million from the prior year's debt balance of $445 million. The FGUA tends to pay down $10 million a year in principal. In addition, during 2016, the FGUA issued an additional $15 million in debt while also advance refunding nearly $20 million.

Half of the outstanding debt issues are fully insured via municipal bond insurance policies issued by Ambac Assurance Corporation and Assured Guaranty. The remaining issuances have reserve accounts with a September 30, 2016 fair market value of $16.8 million.

The FGUA maintains a debt coverage ratio of 1.1 or better (net operating income to debt service) for each of its utilities. The following chart shows the actual coverage compared to the required coverage for the past ten years for debt secured by pledged water and wastewater revenues.



The FGUA is prohibited by Chapter 163, Florida Statutes from imposing property taxes. In addition, it is further prohibited from issuance of general obligation debt. It is, however, authorized to impose special assessments upon property owners, whose property will benefit from water and wastewater system improvements.

Refer to **Note 7** and the **Statistical Section** for more information on the FGUA's Long Term Debt and Coverage Ratios for each utility system.

FACTORS EXPECTED TO HAVE AN ECONOMIC IMPACT ON FUTURE OPERATIONS

Future Growth in Customers

Due to continued economic conditions, customer growth within each utility system continues to be low. There was positive overall utility growth for fiscal year 2016. The net addition of 2,360 active connections to our records is mostly due to changing the inactive account base fee policy for the Aqua systems. In addition, just over 2,000 re-use irrigation customers in the Pasco systems were accidentally classified as "sewer" customers, and were re-classified to water customers. The changes in customer counts in 2016 were verified through further billing and meter audits. We predict the rate of future growth will continue to be relatively flat. Management monitors growth closely as it has an impact on the infrastructure needs of the Utility Systems and requires prudent long term capital planning. The FGUA will continue to meet system demands by managing the capital improvement projects in accordance with the FGUA capital improvement plan that is adopted each September with the FGUA operating budget. (Further information on customer growth for the past ten years can be found in the **Statistical Section**).

FINANCIAL INFORMATION

Operations

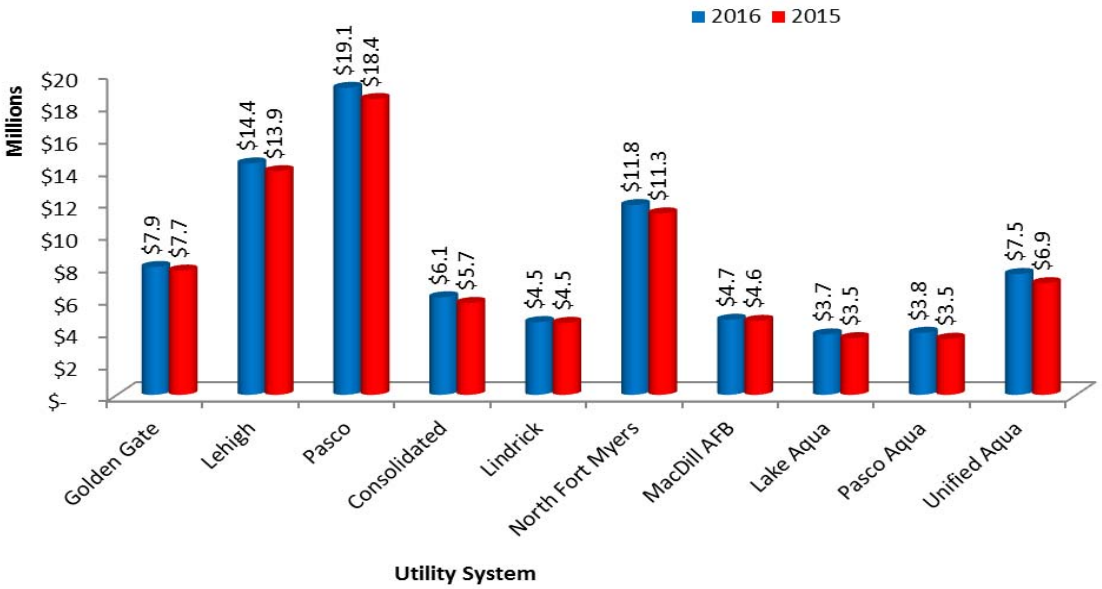
A core function of the FGUA is to use the collective power of local governments, performing as board members, to acquire, improve, operate, and maintain water and wastewater facilities. Local governments hold the option to acquire any FGUA utility system within its jurisdiction. This makes the FGUA a unique local government. The financial statements can fluctuate significantly as the FGUA acquires utility systems or transitions them over to the local government. There are also years that have small to moderate fluctuations when there are no acquisitions or transitions, and the financial activities are only reflective of traditional operational activities.

There are no major differences in FY 2016 operations as compared to FY 2015 operations. Generally, revenues and expenses increased modestly. The new debt that was issued was more than offset by defeasance of other debt. The impacts of acquisitions and transitions are reflected throughout this narrative as explanations for the large variances from prior years; however, there were no acquisitions or sales of utility systems neither in FY 2016 nor in FY 2015. As a result, many of the explanations for the variances may seem redundant; however, each utility system of the FGUA operates independently. It is important, therefore, for the reader to understand that while the FGUA system, as a whole, may have been impacted by a transition activity in prior years; the explanations for the individual operations of the utility systems are more reflective of the traditional governmental utility operation.

Operating revenues (excluding the General Fund) increased $3.6 million or 4.5% from $79.9 million in FY 2015 to $83.4 million in FY 2016.

- The Golden Gate Utility System realized an increase in operating revenues of $222,647 or 2.9% as compared to the prior year. This increase was primarily the result of a Consumer Price Index increase in rates (1.7%) as well as a 1% increase in the number of connections.
- The Lehigh Acres Utility System realized an increase in operating revenues of $477,453 or 3.4% as compared to the prior year. This increase was primarily the result of a Consumer Price Index increase in rates as well as a 1.3% increase in the number of connections and a slight increase in user consumption.
- The Pasco Utility System realized an increase in operating revenues of $694,846 or 3.8% as compared to the prior year. This increase was primarily the result of prior years' rate increases, a slight increase in users, and a general increase in consumption.
- The Consolidated Utility System realized an increase in operating revenues of $354,769 or 6.2% as compared to the prior year. This increase was primarily the result of an increase in rates of 3.2% at the beginning of the year, a nearly 1% increase in the number of connections, and a general increase in consumption.
- The Lindrick Utility System realized an increase in operating revenues of $47,283 or 1.1% as compared to the prior year. This increase was primarily the result of a Consumer Price Index increase in rates at the beginning of the year.
- The North Fort Myers Utility System realized an increase in operating revenues of $522,777 or 4.6% as compared to the prior year. This increase was primarily the result of a Consumer Price Index increase in rates at the beginning of the year, as well as an increase in bulk wastewater usage by Lee County.
- The MacDill AFB Utility System operating revenues increased $68,289, or 1.5%, as compared to the prior year. This increase is the result of a Consumer Price Index increase from the Federal Government effective March 1 of each year.
- The Lake Aqua, Pasco Aqua, and Unified Aqua Utility Systems contributed an additional $1,174,168 in operating revenues. This increase was primarily the result of a rate structure change put into effect at the beginning of the year to charge inactive account base fees to all connections.

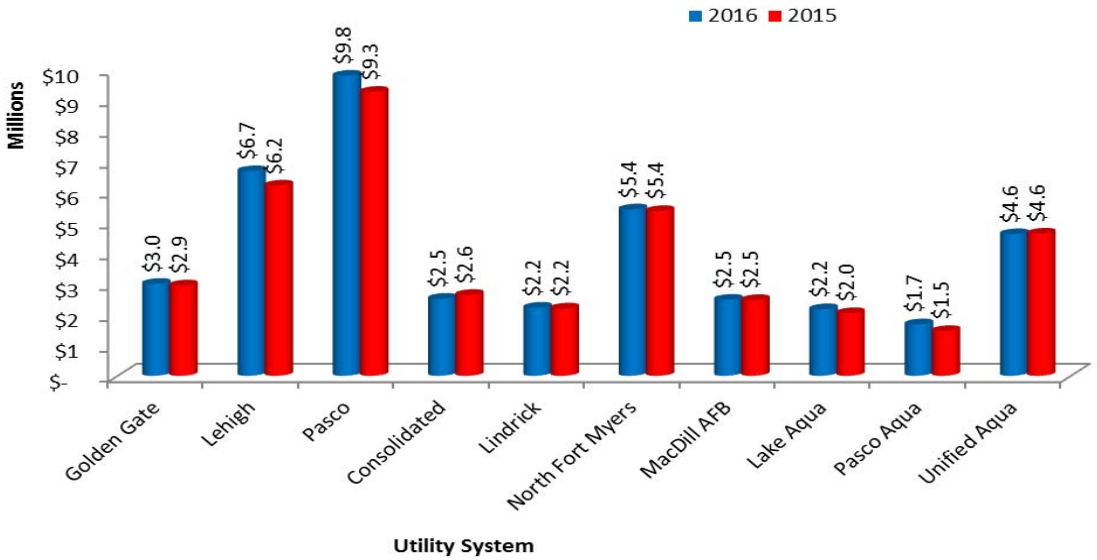
Operating Revenues by System for the Year Ending September 30



Operating expenses (excluding the General Fund and depreciation and amortization) increased by $1,347,425, or 3.44% from $39 million in FY 2015 to $40.5 million in FY 2016. Most of the FGUA's operating expenses are fixed on multi-year contracts with an agreed-upon Consumer Price Index increase.

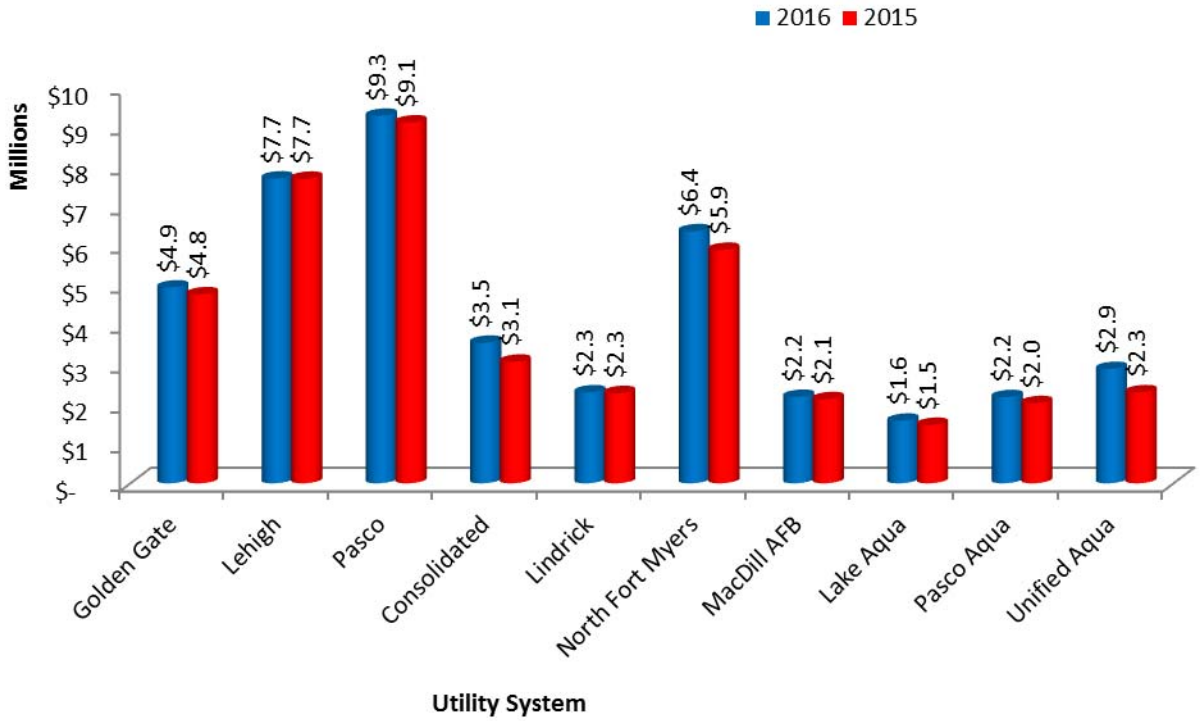
- The Golden Gate Utility System realized a small increase in operating expenses of $51,441 or 1.7%. Lower electricity and regulatory expenses offset the annual contract inflationary increases (approximately 3%).
- The Lehigh Acres Utility System realized an increase in operating expenses of $470,228 or 7.6% as the result of increased costs of chemicals, electricity, and security monitoring. In addition, customer service office rent was temporarily higher while the FGUA coordinated a move into a less expensive location.
- The Pasco Utility System realized an increase in operating expenses of $527,468 or 5.7%. The increase is primarily attributed to an increase in purchased water, as well as an increase in additional operating and maintenance expenses.
- The Consolidated Utility System realized a decrease in operating expenses of $124,995 or -4.7%. This decrease is related to lower purchased wastewater services during the year.
- The Lindrick Utility System realized an increase in operating expenses of $27,364 or 1.2%. This increase was the result of a general inflationary increase in operating expenses.
- The North Fort Myers Utility System realized a small increase in operating expenses of $54,675 or 1.0%. Lower electricity and additional maintenance costs offset the annual contract inflationary increases.
- The MacDill AFB Utility System realized an increase in operating expenses of $10,731 or 0.4%, which is mostly explained by the 1.5% economic price index increase in effect for the first half of FY 2016, and the subsequent -0.5% economic price index increase in effect for the latter half of the fiscal year.
- The Aqua Pasco, Aqua Lake and Aqua Unified Utility Systems contributed to the FGUA's increase in operating expenses by $330,512 or 4.1%. The operations and maintenance contracts increased by 3% (inflation). The remaining 1% increase was related to additional maintenance and regulatory expenses.

Operating Expenses by System for the Year Ending September 30
(excluding depreciation and amortization)



Operating income is the net of operating revenue against operating expenses. All of the FGUA utilities experienced an increase in operating income in FY 2016. Operating income (excluding the General Fund and depreciation and amortization expense) increased by $2.2 million or 5.4% from $40.7 million in FY 2015 to $42.9 million in FY 2016. See the chart below for a comparison of FY 2015 to FY 2016 operating income by utility system. The two utility systems with the most significant increases in operating income were the Consolidated Utility System ($479,764 or 15.7% increase) and the Unified Aqua Utility System ($588,022 or 25.6% increase). The Consolidated Utility System's expenses were lower than anticipated and continue to reap the benefits of rate increases above consumer price index levels. The Unified Aqua Utility System increase is nearly entirely related to the inactive account base fee restructure. The third utility with a significant operating income increase is the North Fort Myers System. North Fort Myers operating income increased $468,102 or 8% over FY 2015. As explained above in the revenue section North Fort Myers has experienced a significant increase in sales of bulk wastewater treatment services to Lee County.

Operating Income by System for the Year Ending September 30
(excluding depreciation and amortization)



CUSTOMERS

The following chart depicts the change in water and wastewater billed customers over the last two years. The increases and decreases in customer numbers for all systems were primarily the outcome of continued internal meter audits. The change in Pasco Systems is related to a reclassification of re-use irrigation water customers from wastewater to water customers. The increase in the Aqua systems is due to a policy change related to base fee charges. All the FGUA systems charge base fees as long as there is a connection to a home that must be maintained, whether the home is occupied or vacant. The Aqua systems did not have this fee in their rate schedule until October 1, 2015. This resulted in an increase of nearly 1,800 accounts, which adds to the stability of the systems and improves the utilities' ability to spread the cost of the treatment plants more fairly across connected premises.

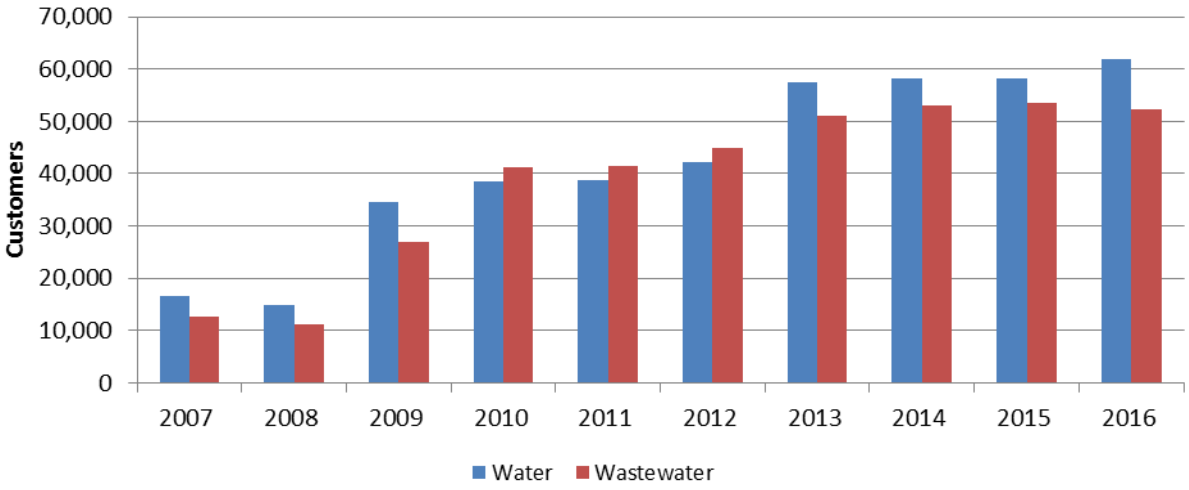
	Water Customers				Wastewater Customers			
System	6/30/2016	6/30/2015	Growth	Percent Growth	6/30/2016	6/30/2015	Growth	Percent Growth
Golden Gate	3,684	3,646	38	1.04%	2,297	2,274	23	1.01%
Lehigh Acres	12,643	12,489	154	1.23%	10,421	10,278	143	1.39%
Pasco Systems	18,069	15,958	2,111	13.23%	15,328	17,344	(2,016)	-11.62%
Consolidated Systems	6,474	6,416	58	0.90%	3,337	3,308	29	0.88%
Lindrick Utility System	3,089	3,074	15	0.49%	2,586	2,572	14	0.54%
North Fort Myers System	1,855	1,843	12	0.65%	11,963	11,954	9	0.08%
MacDill AFB	1	1	0	0.00%	1	1	0	0.00%
Lake Aqua System	5,040	4,630	410	8.86%	1,243	1,160	83	7.16%
Pasco Aqua System	3,272	2,851	421	14.77%	3,106	2,696	410	15.21%
Unified Aqua System	7,699	7,338	361	4.92%	1,992	1,907	85	4.46%
Totals	**61,826**	**58,246**	**3,580**	**6.15%**	**52,274**	**53,494**	**(1,220)**	**-2.28%**

Note:
Reflects active customers on June 30

The following chart shows the change in the number of customers over the past ten years. While the individual utilities have traditionally experienced relatively flat growth in the customer base, acquisitions of new systems and transitioning of exiting systems may be reflected in the changes shown below. The last disposition of any FGUA utility systems was the transition of the Poinciana and Citrus utility systems in 2007. In 2009, the FGUA acquired the Pasco utility systems. In 2010, the FGUA acquired the Consolidated, Lindrick, and North Fort Myers utility systems. In 2013, the FGUA acquired the Lake Aqua, Pasco Aqua, and Unified Aqua utility systems. The number of utility systems and the size of the customer base of each system for a given year affect the upward and downward changes over this ten year period.

Refer to the **Statistical Section** for additional information.

MOST RECENT 10 YEARS OF FGUA CUSTOMERS



REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Florida Governmental Utility Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the FGUA Office of the Chief Financial Officer, 280 Wekiva Springs Road, Suite 2070, Longwood, FL 32779.

FLORIDA GOVERNMENTAL UTILITY AUTHORITY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

	Non-System Specific	Golden Gate Utility System	Lehigh Utility System	Barefoot Bay Utility System	Pasco Utility System
	ASSETS				
Current assets					
Cash and cash equivalents	$ 457,120	$ 6,797,569	$ 12,356,970	$ -	$ 8,862,301
Restricted assets:					
Cash and cash equivalents	-	1,838,640	3,332,954		6,827,499
Bonds receivable	-	-	-	555,000	-
Interest receivable	-	-	-	276,194	-
Accounts receivable, net	-	1,166,278	2,293,815	-	2,398,000
Due from other governments	-	-	-	-	-
Prepaid items	17,944	224,819	349,607	-	24,022
Total current assets	475,064	10,027,306	18,333,346	831,194	18,111,822
Non-current assets					
Restricted assets:					
Cash and cash equivalents	-	4,519,136	10,924,302	-	7,138,599
Investments	-	-	-	-	1,943,315
Bonds receivable	-	-	-	10,405,000	-
Special assessment receivable	-	-	354,561	-	-
Intangible right-of-use agreement	-	-	-	-	-
Land	-	500,040	2,557,284	-	1,637,519
Utility plants	63,876	46,716,195	115,178,422	-	59,915,624
Construction in process	-	385,883	2,344,673	-	351,894
Accumulated depreciation	(11,540)	(22,558,111)	(50,558,856)	-	(12,826,975)
Excess of cost over fair value of acquired assets, net	-	5,654,054	1,894,555	-	41,155,334
Total non-current assets	52,336	35,217,197	82,694,941	10,405,000	99,315,310
Total Assets	$ 527,400	$ 45,244,503	$ 101,028,287	$ 11,236,194	$ 117,427,132
	DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on bond refunding	$ -	$ 362,407	$ 308,155	$ -	$ -
	LIABILITIES				
Current liabilities					
Accounts payable	$ 75,853	$ 443,130	$ 848,080	$ -	$ 1,021,027
Customer deposits	-	590,373	1,234,501	-	1,554,285
Liabilities payable from current restricted assets:					
Accounts payable	-	236,760	73,585	-	382,822
Interest payable	-	388,650	1,359,369	276,194	3,534,677
Current portion of long-term debt	-	1,213,230	1,900,000	555,000	2,910,000
Total current liabilities	75,853	2,872,143	5,415,535	831,194	9,402,811
Non-current liabilities					
Non-current portion of long-term debt	-	39,658,828	71,037,932	10,405,000	112,578,264
Total Liabilities	$ 75,853	$ 42,530,971	$ 76,453,467	$ 11,236,194	$ 121,981,075
	NET POSITION				
Net investment in capital assets	$ 52,336	$ (7,311,519)	$ 5,455,959	$ -	$ (24,462,687)
Restricted for:					
Capital projects	-	2,285,134	3,017,185	-	818,977
Debt service	-	947,161	3,137,459	-	10,380,756
Unrestricted	399,211	7,155,163	13,272,372	-	8,709,011
Total Net Position	$ 451,547	$ 3,075,939	$ 24,882,975	$ -	$ (4,553,943)

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

Consolidated Utility Systems	Lindrick Utility System	N. Fort Myers Utility System	MacDill AFB Utility System	Lake Aqua Utility System	Pasco Aqua Utility System	Unified Aqua Utility System	Total
$ 5,765,238	$ 2,278,935	$ 5,171,645	$ 1,607,456	$ 1,093,318	$ 2,128,776	$ 2,587,991	$ 49,107,319
911,381	1,602,663	3,527,328	1,461,159	813,174	915,687	1,499,154	22,729,639
-	-	-	-	-	-	-	555,000
-	-	-	-	-	-	-	276,194
754,793	547,132	1,238,625	1,846,244	485,942	543,328	1,047,649	12,321,806
-	-	-	-	32,057	-	-	32,057
19,842	10,086	43,392	7,271	52,557	27,583	65,486	842,609
7,451,254	4,438,816	9,980,990	4,922,130	2,477,048	3,615,374	5,200,280	85,864,624
8,017,062	4,254,501	5,099,172	2,505,352	1,172,858	1,938,945	1,930,111	47,500,038
-	425,932	1,064,830	-	-	-	-	3,434,077
-	-	-	-	-	-	-	10,405,000
-	-	-	-	-	-	-	354,561
-	3,273,200	-	-	-	-	-	3,273,200
241,706	49,504	345,610	-	227,084	177,465	1,663,935	7,400,147
8,407,919	5,748,215	62,897,076	39,171,601	7,754,255	6,415,918	21,943,934	374,213,035
162,284	95,593	184,756	2,144,899	34,708	27,290	366,452	6,098,432
(1,300,558)	(929,346)	(11,262,723)	(5,102,405)	(1,508,388)	(1,088,857)	(3,661,028)	(110,808,787)
11,297,056	13,007,746	13,926,752	-	7,695,140	10,193,380	1,179,978	106,003,995
26,825,469	25,925,345	72,255,473	38,719,447	15,375,657	17,664,141	23,423,382	447,873,698
$ 34,276,723	$ 30,364,161	$ 82,236,463	$ 43,641,577	$ 17,852,705	$ 21,279,515	$ 28,623,662	$ 533,738,322
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 670,562
$ 272,784	$ 250,086	$ 594,578	$ 335,530	$ 214,620	$ 177,813	$ 570,843	$ 4,804,344
315,357	152,688	409,253	5,500	186,454	252,820	308,756	5,009,987
156,560	59,411	286,994	793,426	78,608	94,705	421,726	2,584,597
519,221	870,519	1,946,134	-	369,566	415,982	502,428	10,182,740
235,600	672,733	1,294,200	667,733	365,000	405,000	575,000	10,793,496
1,499,522	2,005,437	4,531,159	1,802,189	1,214,248	1,346,320	2,378,753	33,375,164
28,739,823	25,314,818	59,260,640	14,162,932	17,115,360	18,943,097	25,330,085	422,546,779
$ 30,239,345	$ 27,320,255	$ 63,791,799	$ 15,965,121	$ 18,329,608	$ 20,289,417	$ 27,708,838	$ 455,921,943
$ (5,417,731)	$ (2,208,283)	$ 6,469,226	$ 21,383,430	$ (3,275,400)	$ (3,188,069)	$ (4,067,215)	$ (16,569,953)
787,063	687,816	1,490,940	3,173,085	60,379	265,494	-	12,586,073
2,716,314	2,130,994	5,034,667	-	1,475,318	1,643,619	2,160,512	29,626,800
5,951,732	2,433,379	5,449,831	3,119,941	1,262,800	2,269,054	2,821,527	52,844,021
$ 4,037,378	$ 3,043,906	$ 18,444,664	$ 27,676,456	$ (476,903)	$ 990,098	$ 914,824	$ 78,486,941

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

FLORIDA GOVERNMENTAL UTILITY AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Non-System Specific	Golden Gate Utility System	Lehigh Utility System	Barefoot Bay Utility System	Pasco Utility System
Operating revenues					
Water and wastewater revenues	$ -	$ 7,683,446	$ 13,679,328	$ -	$ 18,497,206
Other operating revenues	78,500	247,559	679,369	-	556,931
Total operating revenues	78,500	7,931,005	14,358,697	-	19,054,137
Operating expenses					
Operating and management services	-	2,575,174	6,159,237	-	9,188,433
Other operating expenses	15,217	420,278	513,181	-	598,094
Depreciation and amortization	10,757	2,007,727	4,512,803	-	4,001,181
Total operating expenses	25,974	5,003,179	11,185,221	-	13,787,708
Operating income	52,526	2,927,826	3,173,476	-	5,266,429
Nonoperating revenues (expenses)					
Investment income	548	15,131	25,161	552,388	69,935
Miscellaneous income	-	6,260	8,456	-	130,109
Build America Bond interest subsidies	-	-	-	-	2,306,024
Operating grants	-	-	-	-	286,270
Interest expense	-	(1,402,480)	(2,282,566)	(552,388)	(7,065,942)
Debt issuance costs	-	(23,410)	(65,227)	-	-
Total nonoperating revenues (expenses)	548	(1,404,499)	(2,314,176)	-	(4,273,604)
Income (loss) before capital contributions	53,074	1,523,327	859,300	-	992,825
Capital contributions					
Capital grants	-	-	-	-	-
Recoverable portion of system purchase price	-	-	-	-	-
Impact fees and developer contributions	4,409	154,468	678,993	-	189,936
Total capital contributions	4,409	154,468	678,993	-	189,936
Increase (decrease) in net position	57,483	1,677,795	1,538,293	-	1,182,761
Net position, beginning of year	394,064	1,398,144	23,344,682	-	(5,736,704)
Net position, end of year	$ 451,547	$ 3,075,939	$ 24,882,975	$ -	$ (4,553,943)

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

Consolidated Utility Systems	Lindrick Utility System	N. Fort Myers Utility System	MacDill AFB Utility System	Lake Aqua Utility System	Pasco Aqua Utility System	Unified Aqua Utility System	Total
$ 5,756,838	$ 4,386,122	$ 11,624,025	$ 4,587,124	$ 3,593,194	$ 3,653,712	$ 7,157,157	$ 80,618,152
297,365	124,976	155,177	67,664	151,117	193,461	340,211	2,892,330
6,054,203	4,511,098	11,779,202	4,654,788	3,744,311	3,847,173	7,497,368	83,510,482
2,304,786	2,089,691	4,867,793	2,257,207	1,964,884	1,537,078	4,198,853	37,143,136
205,484	129,478	556,941	220,101	204,510	138,779	417,662	3,419,725
763,989	774,071	2,678,362	1,355,675	745,010	713,237	1,174,683	18,737,495
3,274,259	2,993,240	8,103,096	3,832,983	2,914,404	2,389,094	5,791,198	59,300,356
2,779,944	1,517,858	3,676,106	821,805	829,907	1,458,079	1,706,170	24,210,126
15,848	17,420	39,676	-	3,837	6,560	7,764	754,268
773	386	24,477	122,893	-	1,093	1,497	295,944
-	567,927	1,190,214	-	-	-	-	4,064,165
-	6,116	-	-	-	-	-	292,386
(1,114,479)	(1,772,556)	(3,900,445)	(885,734)	(741,561)	(832,403)	(981,644)	(21,532,198)
(31,654)	(21,746)	(11,361)	-	-	-	-	(153,398)
(1,129,512)	(1,202,453)	(2,657,439)	(762,841)	(737,724)	(824,750)	(972,383)	(16,278,833)
1,650,432	315,405	1,018,667	58,964	92,183	633,329	733,787	7,931,293
-	-	-	2,977,457	-	-	-	2,977,457
-	-	-	1,528,480	-	-	-	1,528,480
91,008	7,590	443,006	-	2,800	1,300	13,120	1,586,630
91,008	7,590	443,006	4,505,937	2,800	1,300	13,120	6,092,567
1,741,440	322,995	1,461,673	4,564,901	94,983	634,629	746,907	14,023,860
2,295,938	2,720,911	16,982,991	23,111,555	(571,886)	355,469	167,917	64,463,081
$ 4,037,378	$ 3,043,906	$ 18,444,664	$ 27,676,456	$ (476,903)	$ 990,098	$ 914,824	$ 78,486,941

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

FLORIDA GOVERNMENTAL UTILITY AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Non-System Specific	Golden Gate Utility System	Lehigh Utility System	Barefoot Bay Utility System	Pasco Utility System
Cash flows from operating activities					
Cash received from customers, including customer deposits	$ 38,126	$ 7,922,757	$ 14,266,625	$ -	$ 19,227,351
Cash received from rental activities	-	6,260	8,456	-	130,109
Cash payments for contractual and other services	(3,430)	(2,935,512)	(6,595,283)	-	(9,878,876)
Net cash provided by (used in) operating activities	34,696	4,993,505	7,679,798	-	9,478,584
Cash flows from capital and related financing activities					
Proceeds from issuance of bonds and loans	-	2,271,100	6,705,500	-	-
Debt issuance costs	-	(23,410)	(65,227)	-	-
Principal paid on revenue bond and assessment note maturities	-	(1,167,059)	(22,190,000)	(530,000)	(2,845,000)
Interest paid on revenue bonds and assessment note	-	(1,593,180)	(3,234,153)	(538,476)	(7,119,712)
Build America Bond subsidy receipts on revenue bonds	-	-	-	-	2,306,024
Payments to acquire and construct plant property	(40,371)	(1,495,411)	(2,213,333)	-	(1,190,101)
Capital grants	-	-	-	-	286,270
Impact fees and other capital contributions	4,409	90,758	596,597	-	53,061
Net cash provided by (used in) capital and related financing activities	(35,962)	(1,917,202)	(20,400,616)	(1,068,476)	(8,509,458)
Cash flows from investing activities					
Proceeds from bond maturities	-	-	-	530,000	-
Sales (purchases) of investments	-	-	-	-	1,719,607
Interest received	548	15,131	25,161	538,476	69,935
Net cash provided by (used in) investing activities	548	15,131	25,161	1,068,476	1,789,542
Net increase (decrease) in cash and cash equivalents	(718)	3,091,434	(12,695,657)	-	2,758,668
Cash and cash equivalents, beginning of year	457,838	10,063,911	39,309,883	-	20,069,731
Cash and cash equivalents, end of year	$ 457,120	$ 13,155,345	$ 26,614,226	$ -	$ 22,828,399
Reconciliation of operating income to net cash provided by (used in) operating activities					
Cash flows from operating activities					
Operating income	$ 52,526	$ 2,927,826	$ 3,173,476	$ -	$ 5,266,429
Adjustments to reconcile operating income to net cash provided by operating activities:					
Miscellaneous nonoperating income	-	6,260	8,456	-	130,109
Depreciation and amortization expense	10,757	2,007,727	4,512,803	-	4,001,181
Changes in assets and liabilities					
Decrease (Increase) in accounts receivable	-	(65,593)	(161,020)	-	62,225
Decrease (Increase) in prepaid expenses	11,787	2,787	8,326	-	(19,987)
Increase (Decrease) in accounts payable and accrued expenses	(40,374)	57,153	68,809	-	(72,362)
Increase (Decrease) in customer deposits payable	-	57,345	68,948	-	110,989
Total adjustments	(17,830)	2,065,679	4,506,322	-	4,212,155
Net cash provided by (used in) operating activities	$ 34,696	$ 4,993,505	$ 7,679,798	$ -	$ 9,478,584
Supplemental schedule of noncash investing, capital, and financing activities					
Amortization of excess of cost over fair value of acquired assets	$ -	$ 452,324	$ 264,357	$ -	$ 1,835,926
Amortization of deferred loss on refunding	-	21,807	-	-	-
Bond discount (premium) amortization	-	(193,083)	(146,051)	-	12,804
Plant property contributed by developers	-	63,710	82,396	-	136,875

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

Consolidated Utility Systems	Lindrick Utility System	N. Fort Myers Utility System	MacDill AFB Utility System	Lake Aqua Utility System	Pasco Aqua Utility System	Unified Aqua Utility System	Total
$ 6,023,948	$ 4,624,548	$ 11,902,470	$ 4,172,359	$ 3,698,940	$ 3,817,773	$ 7,345,450	$ 83,040,347
773	386	24,477	122,893	-	1,093	1,497	295,944
(2,602,818)	(2,188,606)	(5,551,996)	(2,551,088)	(2,160,326)	(1,746,864)	(4,664,239)	(40,879,038)
3,421,903	2,436,328	6,374,951	1,744,164	1,538,614	2,072,002	2,682,708	42,457,253
3,145,300	2,094,600	994,500	160,206	32,057	-	-	15,403,263
(31,654)	(21,746)	(11,361)	-	-	-	-	(153,398)
(220,000)	(641,547)	(1,230,000)	(624,521)	(360,000)	(395,000)	(565,000)	(30,768,127)
(1,119,790)	(1,791,581)	(3,914,530)	(903,959)	(743,081)	(836,225)	(1,010,507)	(22,805,194)
-	567,927	1,190,214	-	-	-	-	4,064,165
(544,330)	(399,197)	(790,961)	(5,032,237)	(381,701)	(410,572)	(1,466,835)	(13,965,049)
-	6,116	-	-	-	-	-	292,386
55,500	7,590	325,310	4,505,937	2,800	1,300	12,500	5,655,762
1,285,026	(177,838)	(3,436,828)	(1,894,574)	(1,449,925)	(1,640,497)	(3,029,842)	(42,276,192)
-	-	-	-	-	-	-	530,000
-	375,234	938,085	-	-	-	-	3,032,926
15,848	17,420	39,676	-	3,837	6,560	7,764	740,356
15,848	392,654	977,761	-	3,837	6,560	7,764	4,303,282
4,722,777	2,651,144	3,915,884	(150,410)	92,526	438,065	(339,370)	4,484,343
9,970,904	5,484,955	9,882,261	5,724,377	2,986,824	4,545,343	6,356,626	114,852,653
$ 14,693,681	$ 8,136,099	$ 13,798,145	$ 5,573,967	$ 3,079,350	$ 4,983,408	$ 6,017,256	$ 119,336,996
$ 2,779,944	$ 1,517,858	$ 3,676,106	$ 821,805	$ 829,907	$ 1,458,079	$ 1,706,170	$ 24,210,126
773	386	24,477	122,893	-	1,093	1,497	295,944
763,989	774,071	2,678,362	1,355,675	745,010	713,237	1,174,683	18,737,495
(76,330)	89,195	82,427	(482,929)	(91,545)	(83,332)	(209,070)	(935,972)
(3,424)	(4,221)	(21,216)	13,728	(3,644)	(9,542)	(8,311)	(33,717)
(89,124)	34,784	(106,046)	(87,508)	12,712	(61,465)	(39,413)	(322,834)
46,075	24,255	40,841	500	46,174	53,932	57,152	506,211
641,959	918,470	2,698,845	922,359	708,707	613,923	976,538	18,247,127
$ 3,421,903	$ 2,436,328	$ 6,374,951	$ 1,744,164	$ 1,538,614	$ 2,072,002	$ 2,682,708	$ 42,457,253
$ 445,782	$ 555,491	$ 584,339	$ -	$ 290,383	$ 384,656	$ 44,527	$ 4,857,785
-	-	-	-	-	-	-	21,807
549	-	12,307	-	3,143	1,007	3,577	(305,747)
35,508	-	117,696	-	-	-	(620)	435,565

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

(1) **Summary of Significant Accounting Policies:**

(a) **Reporting entity**—The Florida Governmental Utility Authority (the "Authority") was formed as a legal entity and public body pursuant to Chapters 125, 166 and 163, Florida Statutes and an Interlocal Agreement dated February 1, 1999 (the "Interlocal Agreement") initially by and between Brevard County, Lee County, Polk County, and Sarasota County (the "Authority Members"), each a local government located in the State of Florida. The Interlocal Agreement was amended and restated on December 1, 2000, by and between Citrus County, Nassau County, Polk County, and Sarasota County. Sarasota County was a member of the Interlocal Agreement, but withdrew effective August 29, 2002, after assuming ownership of the Authority's assets and liabilities related to the Sarasota Utility System. On January 16, 2003, Osceola County was accepted as a member. Osceola County has since terminated its membership and the Poinciana Utility System assets and liabilities were transferred to the Tohopekaliga Water Authority on April 30, 2007. The Citrus Utility System was transitioned to Citrus County on February 15, 2007. On October 15, 2005 Lee County rejoined the Authority subsequent to the purchase of the Lehigh Acres System. The Town of Dundee joined as a member on June 12, 2007 and subsequently withdrew on January 21, 2010. Hendry County joined as a member on February 21, 2008. Pasco County joined as a member on February 27, 2008. DeSoto County joined as a member on January 13, 2009, and terminated its membership on November 12, 2015. The purpose of the Authority is to enable the Authority Members to make the most efficient use of their common power to acquire, own, improve, operate, and maintain water and wastewater facilities. It is not expected that the Authority will have any employees. All services will be provided on a contractual basis.

The Authority has adopted Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, for the purpose of evaluating its financial statements. Based on the criteria in Statement No. 61, the Authority has determined that there are no other units that meet the criteria for inclusion in the Authority's financial statements.

(b) **Measurement focus, basis of accounting, and financial statement presentation**—The accounting systems of the Authority are organized on the basis of funds, each of which is considered an accounting entity having a self-balancing set of accounts for recording its assets, deferred outflows, liabilities, deferred inflows, net position, revenues, and expenses. Since the Authority is a special purpose government involved solely in the provision of water and wastewater services to its customers on a fee basis, all funds are accounted for in Proprietary Funds.

The focus of proprietary fund measurement is the determination of net income, financial position, and cash flows. The proprietary funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Authority operates ten utility systems (Golden Gate, Lehigh Acres, Pasco, Consolidated, Lindrick, North Fort Myers, MacDill AFB, Lake Aqua, Pasco Aqua, Unified Aqua) in ten separate funds. The Authority has one non-system specific fund that handles the administration of the interlocal agreements and also has a fund (Barefoot Bay) that services outstanding bonds from former utility systems the Authority operated years ago. All funds are considered major funds.

The Authority utilizes the accrual basis of accounting in accordance with the GASB Codification.

(1) **Summary of Significant Accounting Policies:** (Continued)

(c) **Cash and cash equivalents**—Cash and cash equivalents consists of cash on hand and on deposit in banks and money market accounts. Investments with a maturity of three months or less when purchased are considered to be cash equivalents.

(d) **Investments**—Investments are carried at fair value.

(e) **Accounts receivable**—The Authority's accounts receivable consists of amounts due from consumers. The Utility Systems perform credit evaluations on their consumers and generally require collateral deposits from them.

(f) **Restricted assets and reserves**—Certain assets are required to be segregated from other assets due to various bond indenture agreements. These assets are legally restricted for specific purposes such as debt service, construction, and renewals and replacements. The remaining excess of restricted assets over liabilities is reflected as restricted net position.

(g) **Property and plant**—Property and plant are recorded at cost less accumulated depreciation, except contributed assets which are recorded at fair value on the date of contribution. Expenditures of $5,000 or more are capitalized. Construction period interest cost, net of interest earned on the unexpended proceeds of tax-exempt borrowings, is capitalized as part of the asset cost. Depreciation, on a straight-line basis, is charged over estimated useful lives ranging from 5 to 35 years.

(h) **Intangibles**—The excess cost over fair value of acquired assets is being amortized, on a straight-line basis, over the approximate life of the related assets purchased, ranging from 20 to 30 years. The right-of-use capacity agreement for the Lindrick Utility System has an indefinite life.

(i) **Bond discounts and premiums**—Bond discounts and premiums are deferred and amortized over the term of the bonds using the effective interest method.

(j) **Revenue recognition**—Operating revenue consists primarily of charges for services, which are billed to customers for water, wastewater, and reclaimed water service. Billings are included in revenue as meters are read on a cycle basis throughout each month. Unbilled revenues are accrued based on estimated consumption of the most recent billing. For the MacDill AFB system, all water and wastewater revenues are earned based on the terms set forth in a formal agreement between the Authority and the Federal government.

(k) **Net position flow assumption**—Sometimes the Authority will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the Authority’s policy to consider restricted net position to have been used before unrestricted net position is applied.

(1) **Summary of Significant Accounting Policies:** (Continued)

(l) **Capital grants, contributions, and impact fees**—Impact fees are imposed by the Utility Systems to acquire, construct, equip, or expand the capacity of the water and/or wastewater facilities in order to serve new users of the facilities and new development within the service area of the Utility Systems. Impact fees revenue is recognized when the related connection services are performed. Capital contributions represent contributions of certain water distribution and wastewater collection systems. Such contributions are recognized as revenue in the period they are received. The recoverable portion of system purchase price is earned in the MacDill AFB System based on the terms set forth in the agreement with the Federal government. Capital grants represent funding from state and Federal agencies to support capital asset construction.

(m) **Operating and nonoperating revenues and expenses**—Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with principal ongoing operations. The Authority's principal operating revenues are charges for water and sewer services. Operating expenses include the costs to maintain and repair the water and sewer treatment plants, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(n) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will, if required, report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. It is the deferred loss on refunding. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will, if required, report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has no items that qualify for reporting in this category.

(o) **Use of estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(p) **Risk management**—The Authority participates in various insurance programs for property and casualty losses. Coverage includes property, general liability, and public officials insurance. Environmental impairment insurance for potential spills is maintained with a third party insurance carrier. Settled claims have not exceeded insurance coverage during the last three fiscal years.

(2) **Purchase and Transition of Utility Systems:**

In recent years, the Authority has periodically engaged in acquiring new utility systems, most recently acquiring the Lake Aqua, Pasco Aqua, and Unified Aqua systems in fiscal year 2013.

No such acquisitions or transitions occurred during the year ended September 30, 2016.

(3) **Sale of Utility Systems:**

(a) **Barefoot Bay utility system**—Effective February 2, 2000, Barefoot Bay Water and Sewer District (the "District"), a component unit of Brevard County, Florida, acquired all the assets and assumed all operating liabilities of the Barefoot Bay Utility System at net book value. This transaction resulted in a gain of approximately $250,000, equal to the accumulated deficit of the Barefoot Bay Utility System at the sale date. In payment for the Barefoot Bay Utility System, the District issued Barefoot Bay Water and Sewer District Utility Revenue Bonds Series 2000 (the "Series 2000 Bonds") in the amount of $17,135,000. The respective interest rates and maturities of the Series 2000 Bonds are identical to the Florida Governmental Utility Authority Utility System Revenue Bonds (Barefoot Bay Utility System), Series 1999 Bonds issued at the acquisition of the Barefoot Bay Utility System by the Authority and which remain outstanding. The trust estate as defined in the Series 2000 Bonds trust indenture secures the Series 2000 Bonds. This trust estate has replaced the net revenues of the Barefoot Bay Utility System as the pledged revenue source securing the Series 1999 Bonds. The Series 2000 Bonds are included in restricted assets in the combined Statement of Net Position of the Authority.

(4) **Deposits and Investments:**

(a) **Deposits**—At September 30, 2016, the Authority held cash on deposit with various financial institutions. In addition to insurance provided by the Federal Depository Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The Authority's deposits at year end are considered insured for custodial credit risk purposes.

(b) **Investments**—The Authority measures and records its investments using fair value measurement guidelines established by GASB Statement No. 72. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Quoted prices for identical investments in active markets;

Level 2: Observable inputs other than quoted market prices; and,

Level 3: Unobservable inputs.

At September 30, 2016, the Authority's investments consisted of the following, all of which were valued using Level 2 inputs from the above hierarchy:

Types of Investments	Maturities	Credit Quality (Moody's)	Fair Value
Municipal bonds receivable	14.00	N/A	$ 10,960,000
Municipal bonds	2.79	Aa3	3,434,077
Total investments			$ 14,394,077

(c) **Custodial credit risk**—For an investment, custodial credit is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In order to manage the custodial credit risk, the Authority's investment policy specifies certain requirements to pre-qualify financial institutions and brokers/dealers and an annual review of the institutions used.

(d) **Credit risk**—Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Authority does have a formal investment policy that limits its investments to high quality investments to control credit risk, which requires diversification of investments, limited investments in securities with higher credit risks, investing in securities with varying maturities, and continuously investing a portion of the portfolio in readily available funds such as local government investment pools or money market funds. In addition, Certificates of deposit and other evidences of deposit at qualified depositories, bankers' acceptances, and commercial paper, rated in the highest tier (e.g., A-I, P-I, F-I or D-1 or higher) by a nationally recognized rating agency. The municipal bonds receivable and money market mutual funds do not have credit quality ratings. The municipal bonds receivable are insured by a financial guaranty insurance policy.

(e) **Interest rate risk—**Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority has a formal investment policy that, except for special situations, limits investment maturities to instruments maturing within three years from purchase as a means of managing exposure to fair value losses arising from increasing interest rates. At September 30, 2016, the Plan's municipal bonds had a weighted average duration of 2.79 years.

(5) **Accounts Receivable:**

Receivables at September 30, 2016, consist of the following:

	Non-System Specific	Golden Gate Utility System	Lehigh Utility System	Pasco Utility System
Billed customer receivables	$ -	$ 727,116	$ 1,672,678	$ 1,785,909
Unbilled customer receivables	-	570,105	1,001,025	949,500
Special assessments - current	-	-	45,370	-
Other receivables	-	-	35,902	13,605
Gross accounts receivable	-	1,297,221	2,754,975	2,749,014
Less: Allowance for uncollectables	-	(130,943)	(461,160)	(351,014)
Net total receivables	$ -	$ 1,166,278	$ 2,293,815	$ 2,398,000

	Consolidated Utility System	Lindrick Utility System	N. Ft. Myers Utility System	MacDill AFB Utility System
Billed customer receivables	$ 489,095	$ 378,429	$ 542,023	$ 1,826,861
Unbilled customer receivables	446,708	292,936	776,093	-
Special assessments - current	-	-	-	-
Other receivables	-	1,738	2,016	19,383
Gross accounts receivable	935,803	673,103	1,320,132	1,846,244
Less: Allowance for uncollectables	(181,010)	(125,971)	(81,507)	-
Net total receivables	$ 754,793	$ 547,132	$ 1,238,625	$ 1,846,244

	Lake Aqua Utility System	Pasco Aqua Utility System	Unified Aqua Utility System	Total
Billed customer receivables	$ 393,725	$ 451,125	$ 810,329	$ 9,077,290
Unbilled customer receivables	167,008	245,529	403,547	4,852,451
Special assessments - current	-	-	-	45,370
Other receivables	5,130	264	4,452	82,490
Gross accounts receivable	565,863	696,918	1,218,328	14,057,601
Less: Allowance for uncollectables	(79,921)	(153,590)	(170,679)	(1,735,795)
Net total receivables	$ 485,942	$ 543,328	$ 1,047,649	$ 12,321,806

(6) Capital Assets:

Changes in the Authority's capital assets for the year ended September 30, 2016, were as follows:

	Balance October 1, 2015	Increases	Decreases	Balance September 30, 2016
Capital assets not being depreciated:				
Land	$ 7,399,827	$ 320	$ -	$ 7,400,147
Construction in progress	14,318,516	12,981,552	(21,201,636)	6,098,432
Total capital assets not being depreciated	21,718,343	12,981,872	(21,201,636)	13,498,579
Capital assets being depreciated:				
Utility plants	352,426,750	21,838,701	(52,416)	374,213,035
Accumulated depreciation	(96,981,493)	(13,879,710)	52,416	(110,808,787)
Total capital assets being depreciated, net	255,445,257	7,958,991	-	263,404,248
Capital Assets, net	$ 277,163,600	$ 20,940,863	$ (21,201,636)	$ 276,902,827
Excess of cost over fair value of acquired assets	$ 143,089,977	$ -	$ -	$ 143,089,977
Accumulated amortization	(32,228,197)	(4,857,785)	-	(37,085,982)
Excess of cost over fair value of acquired assets, net	110,861,780	(4,857,785)	-	106,003,995
Right of use intangible	3,273,200	-	-	3,273,200
Intangible Assets, net	$ 114,134,980	$ (4,857,785)	$ -	$ 109,277,195

Total interest expense incurred by the Authority during the current fiscal year was $22,216,770. Of this amount, $92,479 was capitalized and included as part of the cost of construction in progress.

(7) Bonds and Notes Payable:

(a) Revenue bonds and notes payable at September 30, 2016, are comprised of the following:

Golden Gate Utility System

$12,605,000 Series 2015 Serial Bonds, interest due semi-annually on January 1 and July 1 commencing July 1, 2015, principal payments due annually July 1, 2030 through 2035; interest rates ranging from 3.25% to 4.00%; secured by pledged water and wastewater revenues	$ 12,605,000
$17,095,000 Series 2012 Serial Bonds, interest due semi-annually on January 1 and July 1 commencing July 1, 2013, principal payments due annually July 1, 2013 through 2029; interest rates ranging from 2.00% to 5.00%; secured by pledged water and wastewater revenues	13,885,000
$3,180,000 3.125% Series 2012 Term Bonds interest due semi-annually on January 1 and July 1 commencing July 1, 2013, principal payments due annually July 1, 2025 through 2029; secured by pledged water and wastewater revenues	3,180,000
$6,315,000 5.50% Series 2010 Term Bonds interest due semi-annually on January 1 and July 1 commencing July 1, 2011, principal payments due annually July 1, 2036 through 2040; secured by pledged water and wastewater revenues	6,315,000

(7) **Bonds and Notes Payable:** (Continued)

$1,546,461 Loan Agreement CS12090902P—The Golden Gate Utility System was approved for preconstruction and construction loans by the Florida Department of Environmental Protection under the Clean Water State Revolving Loan Fund Program in the amount of $1,546,461 at an interest rate of 2.96%. The funds were used for wastewater system improvements. According to the loan agreement, 40 semi-annual payments of principal and interest are due beginning on October 15, 2004, currently in the amount of $52,237; secured by pledged water and wastewater revenues. This loan is junior and subordinate in all regards in right of payment and security to the Golden Gate Utility System Series 2015, Series 2010, and Series 2012 Bonds	$ 739,328
$1,855,921 Loan Agreement DW1127010—The Golden Gate Utility System was approved for a construction loan by the Florida Department of Environmental Protection under the Drinking Water State Revolving Loan Fund Program in the amount of $1,395,175 at an interest rate of 2.86%. Amendment 1 to the loan increased the loan amount to $1,855,921 at an average interest rate of 2.85%. The funds were used for system improvements. According to the loan agreement, 40 semi-annual payments of principal and interest are due beginning on February 15, 2005, currently in the amount of $61,648; secured by pledged water and wastewater revenues. This loan is junior and subordinate in all regards in right of payment and security to the Golden Gate Utility System Series 2015, Series 2010, and Series 2012 Bonds	876,555
$2,271,100 Loan Agreement with SunTrust Equipment Finance & Leasing Corp. — The Golden Gate Utility System was approved for a preconstruction and construction loan with SunTrust Equipment Finance & Leasing Corp. in the amount of $2,271,100 at an interest rate of 2.30%. The funds are used pursuant to a Guaranteed Energy, Water and Wastewater Performance Savings Contract with Siemens for system improvements. According to the loan agreement, monthly payments of interest only are due August 25, 2016 and monthly payments of principal and interest are due beginning on August 25, 2017 through 2032. This loan is junior and subordinate in all regards in right of payment and security to the Golden Gate Utility System	2,271,100
Lehigh Acres Utility System	
$16,480,000 Series 2014 Serial Bonds, interest due semi-annually on April 1 and October 1 commencing April 1, 2015, principal payments due annually October 1, 2016 through 2032; interest rates ranging from 2.00% to 5.00%; secured by pledged water and wastewater revenues	16,480,000
$4,145,000 3.625% Series 2014 Term Bonds, interest due semi-annually on April 1 and October 1 commencing April 1, 2015, mandatory redemption of principal payments due annually October 1, 2033 through 2035; secured by pledged water and wastewater revenues	4,145,000
$20,465,000 Series 2012 Serial Bonds, interest due semi-annually on April 1 and October 1 commencing April 1, 2013, principal payments due annually October 1, 2015 through 2028; interest rates ranging from 2.75% to 5.00%; secured by pledged water and wastewater revenues	19,365,000
$10,615,000 5.00% Series 2012 Term Bonds interest due semi-annually on April 1 and October 1 commencing April 1, 2013, principal payments due annually October 1, 2029 through 2033; secured by pledged water and wastewater revenues	10,615,000

(7) **Bonds and Notes Payable:** (Continued)

$12,535,000 5.25% Series 2010 Term Bonds interest due semi-annually on April 1 and October 1 commencing April 1, 2011, principal payments due annually October 1, 2034 through 2040; secured by pledged water and wastewater revenues	$ 12,535,000
$6,705,500 Loan Agreement with SunTrust Equipment Finance & Leasing Corp. — The Lehigh Acres Utility System was approved for a preconstruction and construction loan with SunTrust Equipment Finance & Leasing Corp. in the amount of $6,705,500 at an interest rate of 2.30%. The funds are used pursuant to a Guaranteed Energy, Water and Wastewater Performance Savings Contract with Siemens for system improvements. According to the loan agreement, monthly payments of interest only are due August 25, 2016 and monthly payments of principal and interest are due beginning on August 25, 2017 through 2032. This loan is junior and subordinate in all regards in right of payment and security to the Lehigh Acres Utility System	6,705,500
Barefoot Bay Utility System	
$3,715,000 5.25% Series 1999 Term Bonds due October 1, 2018, subject to mandatory sinking fund requirements in varying annual principal amounts beginning October 1, 2012; secured by matching bond receivable with identical terms	1,755,000
$9,205,000 5.00% Series 1999 Term Bonds due October 1, 2029, subject to mandatory sinking fund requirements in varying annual principal amounts beginning October 1, 2019; secured by matching bond receivable with identical terms	9,205,000
Pasco Utility System	
$20,920,000 Series 2010B Serial Bonds interest due semi-annually on April 1 and October 1 commencing April 1, 2011, principal payments due annually October 1, 2013 through 2020; interest at rates ranging from 2.746% to 5.022%; secured by pledged water and wastewater revenues	15,385,000
$18,150,000 5.72% Series 2010B Term Bonds interest due semi-annually on April 1 and October 1 commencing April 1, 2011, principal payments due annually October 1, 2021 through 2025; secured by pledged water and wastewater revenues	18,150,000
$21,955,000 6.348% Series 2010B Term Bonds interest due semi-annually on April 1 and October 1 commencing April 1, 2011, principal payments due annually October 1, 2026 through 2030; secured by pledged water and wastewater revenues	21,955,000
$60,120,000 6.548% Series 2010B Term Bonds interest due semi-annually on April 1 and October 1 commencing April 1, 2011, principal payments due annually October 1, 2031 through 2040; secured by pledged water and wastewater revenues	60,120,000
Consolidated Utility System	
$1,815,000 Series 2012A Serial Bonds, interest due semi-annually on April 1 and October 1 commencing October 1, 2012, principal payments due annually October 1, 2013 through 2025; interest at rates ranging from 2.00% to 3.75%; secured by pledged water and wastewater revenues	1,695,000
$6,995,000 4.00% Series 2012A Term Bonds, interest due semi-annually on April 1 and October 1 commencing October 1, 2012, principal payments due annually October 1, 2026 through 2032; secured by pledged water and wastewater revenues	6,995,000

(7) **Bonds and Notes Payable:** (Continued)

$4,250,000 5.00% Series 2012A Term Bonds, interest due semi-annually on April 1 and October 1 commencing October 1, 2012, principal payments due annually October 1, 2033 through 2037; secured by pledged water and wastewater revenues	$ 4,250,000
$4,000,000 5.00% Series 2012A Term Bonds, interest due semi-annually on April 1 and October 1 commencing October 1, 2012, principal payments due annually October 1, 2038 through 2042; secured by pledged water and wastewater revenues	4,000,000
$3,580,000 4.25% Series 2012A Term Bonds, interest due semi-annually on April 1 and October 1 commencing October 1, 2012, principal payments due annually October 1, 2038 through 2042; secured by pledged water and wastewater revenues	3,580,000
$705,000 Series 2012B Serial Bonds, interest due semi-annually on April 1 and October 1 commencing October 1, 2012, principal payments due annually October 1, 2013 through 2016; interest at rates ranging from 2.00% to 2.80%; secured by pledged water and wastewater revenues	165,000
$5,000,000 4.00% Series 2012 Subordinate Bond, interest due semi-annually on June 1 and December 1 commencing December 1, 2012, principal payments of $1,000,000 due annually June 1, 2020 through 2024; seller-financed agreement is secured by pledged water and wastewater revenues	5,000,000
\$3,145,300 Loan Agreement with SunTrust Equipment Finance & Leasing Corp. — The Consolidated Utility System was approved for a preconstruction and construction loan with SunTrust Equipment Finance & Leasing Corp. in the amount of $3,145,300 at an interest rate of 2.30%. The funds are used pursuant to a Guaranteed Energy, Water and Wastewater Performance Savings Contract with Siemens for system improvements. According to the loan agreement, monthly payments of interest only are due August 25, 2016 and monthly payments of principal and interest are due beginning on August 25, 2017 through 2032. This loan is junior and subordinate in all regards in right of payment and security to the Consolidated Utility System	3,145,300
Lindrick Utility System	
$1,729,413 Bulk Wastewater Treatment Agreement in form of capital lease with the City of New Port Richey as amended effective October 1, 2012, due in monthly installments of $16,107 through October 1, 2022, comprised of principal and interest at a rate of 2.25%	1,097,951
$4,585,000 6.641% Series 2010 Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2010, principal payments due annually October 1, 2011 through 2020; secured by pledged water and wastewater revenues	2,715,000
$3,375,000 7.141% Series 2010 Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2010, principal payments due annually October 1, 2021 through 2025; secured by pledged water and wastewater revenues	3,375,000
$4,255,000 7.630% Series 2010 Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2010, principal payments due annually October 1, 2026 through 2030; secured by pledged water and wastewater revenues	4,255,000

(7) **Bonds and Notes Payable:** (Continued)

$5,445,000 7.880% Series 2010 Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2010, principal payments due annually October 1, 2031 through 2035; secured by pledged water and wastewater revenues	$ 5,445,000
$7,005,000 8.080% Series 2010 Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2010, principal payments due annually October 1, 2036 through 2040; secured by pledged water and wastewater revenues	7,005,000
$2,094,600 Loan Agreement with SunTrust Equipment Finance & Leasing Corp. — The Lindrick Utility System was approved for a preconstruction and construction loan with SunTrust Equipment Finance & Leasing Corp. in the amount of $2,094,600 at an interest rate of 2.30%. The funds are used pursuant to a Guaranteed Energy, Water and Wastewater Performance Savings Contract with Siemens for system improvements. According to the loan agreement, monthly payments of interest only are due August 25, 2016 and monthly payments of principal and interest are due beginning on August 25, 2017 through 2032. This loan is junior and subordinate in all regards in right of payment and security to the Lindrick Utility System	2,094,600
North Fort Myers Utility System	
$9,965,000 Series 2010A Serial Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2010, principal payments due annually October 1, 2013 through 2020; interest at rates ranging from 2.50% to 3.75%; secured by pledged water and wastewater revenues	7,125,000
$9,175,000 6.584% Series 2010B Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2010, principal payments due annually October 1, 2021 through 2025; secured by pledged water and wastewater revenues	9,175,000
$11,365,000 6.884% Series 2010B Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2010, principal payments due annually October 1, 2026 through 2030; secured by pledged water and wastewater revenues	11,365,000
$31,935,000 7.084% Series 2010B Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2010, principal payments due annually October 1, 2031 through 2040; secured by pledged water and wastewater revenues	31,935,000
$994,500 Loan Agreement with SunTrust Equipment Finance & Leasing Corp. — The North Fort Myers Utility System was approved for a preconstruction and construction loan with SunTrust Equipment Finance & Leasing Corp. in the amount of $994,500 at an interest rate of 2.30%. The funds are used pursuant to a Guaranteed Energy, Water and Wastewater Performance Savings Contract with Siemens for system improvements. According to the loan agreement, monthly payments of interest only are due August 25, 2016 and monthly payments of principal and interest are due beginning on August 25, 2017 through 2032. This loan is junior and subordinate in all regards in right of payment and security to the North Fort Myers Utility System	994,500
MacDill AFB Utility System	
$17,715,314 6.00% seller-financed purchase price liability due in monthly installments of $128,284, recorded as offset against utility service charges, March 1, 2011 through February 1, 2031; secured by utility plant, infrastructure, and equipment	14,830,665

(7) **Bonds and Notes Payable:** (Continued)

Lake Aqua Utility System

$3,310,000 Series 2013A Serial Bonds interest due semi-annually on April 1 and October 1 commencing October 1 2013, principal payments due annually October 1, 2014 through 2023; interest at rates ranging from 2.00% to 3.375%; secured by pledged water and wastewater revenues	$ 2,995,000
$5,525,000 4.25% Series 2013A Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2024 through 2033; secured by pledged water and wastewater revenues	5,525,000
$5,615,000 5.00% Series 2013A Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2034 through 2040; secured by pledged water and wastewater revenues	5,615,000
$3,045,000 4.50% Series 2013A Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2041 through 2043; secured by pledged water and wastewater revenues	3,045,000
$595,000 2.35% Series 2013B Serial Bonds interest due semi-annually on April 1 and October 1 commencing October 1 2013, principal payments due annually October 1, 2014 through 2016; secured by pledged water and wastewater revenues	200,000
$35,000 Loan Agreement WW011200—The Lake Aqua Utility System was approved for preconstruction and construction loans by the Florida Department of Environmental Protection under the Clean Water State Revolving Loan Fund Program in the amount of $35,000 at an interest rate of 1.50%. The funds were used for wastewater system improvements. According to the loan agreement, 40 semi-annual payments of principal and interest are due beginning on July 15, 2018, currently in the amount of $1,048; secured by pledged water and wastewater revenues. This loan is junior and subordinate in all regards in right of payment and security to the Lake Aqua Utility System Series 2013 Bonds	32,057

Pasco Aqua Utility System

$3,860,000 Series 2013A Serial Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2014 through 2023; interest at rates ranging from 2.00% to 3.50%; secured by pledged water and wastewater revenues	3,385,000
$6,165,000 4.25% Series 2013A Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2024 through 2033; secured by pledged water and wastewater revenues	6,165,000
$6,260,000 5.00% Series 2013A Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2034 through 2040; secured by pledged water and wastewater revenues	6,260,000
$3,390,000 4.50% Series 2013A Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2041 through 2043; secured by pledged water and wastewater revenues	3,390,000
$465,000 2.40% Series 2013B Serial Bonds interest due semi-annually on April 1 and October 1 commencing October 1 2013, principal payments due annually October 1, 2014 to October 1, 2016; secured by pledged water and wastewater revenues	160,000

(7) **Bonds and Notes Payable:** (Continued)

Unified Aqua Utility System

$6,370,000 Series 2013A Serial Bonds interest due semi-annually on April 1 and October 1 commencing October 1 2013, principal payments due annually October 1, 2014 through 2025; interest at rates ranging from 2.00% to 4.00%; secured by pledged water and wastewater revenues	$ 6,080,000
$2,390,000 3.75% Series 2013A Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2026 through 2028; secured by pledged water and wastewater revenues	2,390,000
$4,640,000 4.00% Series 2013A Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2029 through 2033; secured by pledged water and wastewater revenues	4,640,000
$12,665,000 4.25% Series 2013A Term Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2013, principal payments due annually October 1, 2034 through 2043; secured by pledged water and wastewater revenues	12,665,000
$1,260,000 2.00% Series 2013B Serial Bonds interest due semi-annually on April 1 and October 1 commencing October 1 2013, principal payments due annually October 1, 2014 through 2016; secured by pledged water and wastewater revenues	430,000
Bonds and notes payable at September 30, 2016	429,507,556
Add: unamortized bond premiums, net of unamortized bond discounts	3,832,719
Less: current portion of bonds and notes payable	(10,793,496)
Long-term bonds and notes payable at September 30, 2016, net	$422,546,779

For the above debt instruments secured by pledged water and wastewater revenues, amounts pledged consist of the respective system's operating revenues for the course of the long-term debt payments. The debt instruments were issued to purchase the utility systems and to fund various capital improvements. The amounts and terms of the commitments are clearly stated in the detailed descriptions above for each debt instrument.

(7) **Bonds and Notes Payable:** (Continued)

Below is a table comparing the current year's pledged revenue (including revenue from the sale of water and wastewater, meter tapping, service charges, miscellaneous operating revenue, and any amounts contributed from capitalized interest and rate stabilization accounts) to the current year's principal and interest (net of Build America Bond subsidies received) required debt service. Further details may be found in the Pledged Revenue Coverage tables in the Statistical Section.

Name of System	Water, Wastewater and Other Revenue	Debt Service	
		Principal	Interest
Golden Gate	$ 7,902,396	$ 1,167,059	$ 1,584,474
Lehigh Acres	14,342,314	1,880,000	2,718,738
Pasco	19,254,181	2,910,000	4,763,331
Consolidated	5,870,824	615,000	1,105,108
Lindrick	4,528,904	500,000	1,173,112
North Fort Myers	11,743,355	1,290,000	2,702,054
Lake Aqua	3,748,148	365,000	739,132
Pasco Aqua	3,854,826	405,000	831,968
Unified Aqua	7,506,629	575,000	1,004,857
Totals	$ 78,751,577	$ 9,707,059	$ 16,622,774

(b) **Changes in bonds and notes payable**—Activity in bonds and notes payable for the year ended September 30, 2016, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Secured by pledged water and wastewater revenues					
Bonds	$ 410,030,000	$ -	$ (29,270,000)	$ 380,760,000	$ 9,175,000
Seller-Financed Notes	5,000,000	-	-	5,000,000	-
State Revolving Loans	1,792,943	32,057	(177,059)	1,647,940	182,230
Subtotal Debt Secured by Pledged Water & Wastewater Revenues	$ 416,822,943	$ 32,057	$ (29,447,059)	$ 387,407,940	$ 9,357,230
Secured by other (county bonds, assets)					
Bonds	11,490,000	-	(530,000)	10,960,000	555,000
Capital Leases	1,264,498	-	(166,547)	1,097,951	170,333
Seller-Financed Notes	15,294,981	160,206	(624,521)	14,830,667	667,733
Notes Payable	-	15,211,000	-	15,211,000	43,200
Subtotal other debt	28,049,479	15,371,206	(1,321,068)	42,099,618	1,436,266
	$ 444,872,422	$ 15,403,263	$ (30,768,127)	$ 429,507,558	$ 10,793,496

(7) **Bonds and Notes Payable:** (Continued)

(c) Debt service requirements to maturity are as follows at September 30, 2016:

	Barefoot Bay Utility System		
September 30	**Principal**	**Interest**	**Total Debt Service**
2017	$ 555,000	$ 552,387	1,107,387
2018	585,000	523,250	1,108,250
2019	615,000	492,537	1,107,537
2020	650,000	460,250	1,110,250
2021	680,000	427,750	1,107,750
2022 – 2026	3,950,000	1,593,000	5,543,000
2027 – 2030	3,925,000	502,750	4,427,750
Totals	$ 10,960,000	$ 4,551,924	$ 15,511,924

	Golden Gate Utility System		
September 30	**Principal**	**Interest**	**Total Debt Service**
2017	$ 1,213,230	$ 1,591,934	$ 2,805,164
2018	1,296,552	1,545,097	2,841,649
2019	1,360,429	1,495,728	2,856,157
2020	1,437,566	1,433,097	2,870,663
2021	1,480,968	1,402,110	2,883,078
2022 – 2026	8,126,938	6,028,415	14,155,353
2027 – 2031	9,698,100	4,610,769	14,308,869
2032 – 2036	10,073,200	2,695,732	12,768,932
2037 – 2040	5,185,000	731,775	5,916,775
Totals	$ 39,871,983	$ 21,534,657	$ 61,406,640

	Lehigh Utility System		
September 30	**Principal**	**Interest**	**Total Debt Service**
2017	$ 1,900,000	$ 2,872,946	$ 4,772,946
2018	2,074,800	2,803,367	4,878,167
2019	2,193,900	2,722,055	4,915,955
2020	2,309,000	2,652,578	4,961,578
2021	2,426,400	2,579,478	5,005,878
2022 – 2026	14,338,900	11,226,463	25,565,363
2027 – 2031	18,144,400	8,343,462	26,487,862
2032 – 2036	14,868,100	4,704,000	19,572,100
2037 – 2041	11,590,000	1,887,376	13,477,376
Totals	$ 69,845,500	$ 39,791,725	$ 109,637,225

(7) **Bonds and Notes Payable:** (Continued)

	Pasco Utility System		
September 30	**Principal**	**Interest**	**Total Debt Service**
2017	$ 2,910,000	$ 7,069,355	$ 9,979,355
2018	2,985,000	6,953,886	9,938,886
2019	3,070,000	6,824,994	9,894,994
2020	3,160,000	6,684,633	9,844,633
2021	3,260,000	6,532,258	9,792,258
2022 – 2026	18,150,000	29,842,135	47,992,135
2027 – 2031	21,955,000	23,976,441	45,931,441
2032 – 2036	26,940,000	16,301,574	43,241,574
2037 – 2041	33,180,000	6,698,603	39,878,603
Totals	$ 115,610,000	$110,883,879	$ 226,493,879

	Consolidated Utility System		
September 30	**Principal**	**Interest**	**Total Debt Service**
2017	$ 235,600	$ 1,177,440	$ 1,413,040
2018	157,400	1,170,710	1,328,110
2019	183,100	1,166,912	1,350,012
2020	1,207,300	1,162,314	2,369,614
2021	1,174,500	1,116,865	2,291,365
2022 – 2026	5,168,000	4,920,921	10,088,921
2027 – 2031	6,337,300	3,990,197	10,327,497
2032 – 2036	4,922,100	2,845,363	7,767,463
2037 – 2041	6,195,000	1,707,475	7,902,475
2042 – 2043	3,250,000	228,475	3,478,475
Totals	$ 28,830,300	$ 19,486,672	$ 48,316,972

	Lindrick Utility System		
September 30	**Principal**	**Interest**	**Total Debt Service**
2017	$ 672,733	$ 1,812,166	$ 2,484,899
2018	712,005	1,774,881	2,486,886
2019	756,966	1,735,755	2,492,721
2020	804,916	1,694,756	2,499,672
2021	855,358	1,651,541	2,506,899
2022 – 2026	4,215,973	7,533,117	11,749,090
2027 – 2031	5,519,600	6,058,906	11,578,506
2032 – 2036	5,445,000	4,159,376	9,604,376
2037 – 2041	7,005,000	1,756,188	8,761,188
Totals	$ 25,987,551	$ 28,176,686	$ 54,164,237

(7) **Bonds and Notes Payable:** (Continued)

	North Fort Myers Utility System		
September 30	Principal	Interest	Total Debt Service
2017	$ 1,294,200	$ 3,915,137	$ 5,209,337
2018	1,382,400	3,876,066	5,258,466
2019	1,453,400	3,831,334	5,284,734
2020	1,534,400	3,782,578	5,316,978
2021	1,610,500	3,727,415	5,337,915
2022 – 2026	9,479,800	17,167,792	26,647,592
2027 – 2031	11,824,300	13,763,468	25,587,768
2032 – 2036	14,255,500	9,394,235	23,649,735
2037 – 2041	17,760,000	3,887,344	21,647,344
Totals	$ 60,594,500	$ 63,345,369	$ 123,939,869

	MacDill AFB Utility System		
September 30	Principal	Interest	Total Debt Service
2017	$ 667,733	$ 871,675	$ 1,539,408
2018	708,918	830,491	1,539,409
2019	752,642	786,767	1,539,409
2020	799,063	740,346	1,539,409
2021	848,348	691,061	1,539,409
2022 – 2026	5,094,208	2,602,837	7,697,045
2027 – 2031	5,959,753	839,304	6,799,057
Totals	$ 14,830,665	$ 7,362,481	$ 22,193,146

	Lake Aqua Utility System		
September 30	Principal	Interest	Total Debt Service
2017	$ 365,000	$ 739,131	$ 1,101,131
2018	407,057	731,131	1,138,188
2019	385,000	723,631	1,108,631
2020	390,000	715,450	1,105,450
2021	400,000	705,700	1,105,700
2022 – 2026	2,210,000	3,328,226	5,538,226
2027 – 2031	2,690,000	2,846,226	5,536,226
2032 – 2036	3,320,000	2,218,426	5,538,426
2037 – 2041	4,200,000	1,335,625	5,535,625
2042 – 2044	3,045,000	278,100	3,323,100
Totals	$ 17,412,057	$ 13,621,646	$ 31,033,703

(7) **Bonds and Notes Payable:** (Continued)

	Pasco Aqua Utility System		
September 30	Principal	Interest	Total Debt Service
2017	$ 405,000	$ 831,965	$ 1,236,965
2018	410,000	823,225	1,233,225
2019	425,000	810,925	1,235,925
2020	435,000	798,175	1,233,175
2021	445,000	787,300	1,232,300
2022 – 2026	2,460,000	3,712,476	6,172476
2027 – 2031	3,000,000	3,173,501	6,173,501
2032 – 2036	3,705,000	2,472,850	6,177,850
2037 – 2041	4,685,000	1,488,000	6,173,000
2042 – 2044	3,390,000	309,600	3,699,600
Totals	$ 19,360,000	$ 15,208,017	$ 34,568,017

	Unified Aqua Utility System		
September 30	Principal	Interest	Total Debt Service
2017	$ 575,000	$ 1,004,856	$ 1,579,856
2018	590,000	993,356	1,583,356
2019	605,000	975,656	1,580,656
2020	620,000	962,800	1,582,800
2021	630,000	948,850	1,578,850
2022 – 2026	3,490,000	4,412,062	7,902,062
2027 – 2031	4,135,000	3,766,427	7,901,427
2032 – 2036	5,025,000	2,881,702	7,906,702
2037 – 2041	6,170,000	1,736,126	7,906,126
2042 – 2044	4,365,000	376,126	4,741,126
Totals	$ 26,205,000	$ 18,057,961	$ 44,262,961

(8) **Commitments and Contingencies:**

(a) **U.S. Water/Wade Trim, LLC**—Contracted to perform water treatment, water distribution, wastewater treatment, wastewater disposal and control, and other related services for all utility systems of the Authority. With the exception of Golden Gate and Lehigh Acres, both of which had contract effective dates of October 1, 2011, the contract terms started on the effective date of the acquisitions of each system, and expire on varying dates from September 30, 2018, to September 30, 2020.

U.S. Water receives an annual fixed fee for services provided to the systems of $23,905,395, paid in monthly installments. Fees in future years are adjusted as defined in the Operations and Billing Contract. The Operations and Billing Contract also provides for additional payments to U.S. Water for renewals and replacements and for capital improvements. Such additional payments are to be at U.S. Water's cost plus a specified profit percentage. Total amounts paid to U.S. Water for the year ended September 30, 2016 for all services were $34,465,012. At September 30, 2016, amounts payable to U.S. Water totaled $5,317,832.

(8) **Commitments and Contingencies:** (Continued)

(b) **Government Services Group, Inc.**—In order to execute the powers of the Authority pursuant to the Interlocal Agreement and the responsibilities of the Authority, the Authority retained Government Services Group, Inc. (GSG), a private contractor, for the overall management of the Authority. The Management Services Agreement between the Authority and GSG defines the general functions GSG will carry out and expires September 30, 2020, with the exception of the agreement defining functions relating to the MacDill AFB System, which expires September 30, 2021. The Authority has the option to extend the term of the Management Services Agreement. GSG receives an annual base fixed fee for general administrative services provided to the Authority of $3,618,877, as well as an annual based fixed fee for capital improvement program administrative fees of $1,236,290. Additional payments are made for other services approved by the Authority's Board of Directors. Total amounts paid to GSG for the year ended September 30, 2016 were $5,994,030. At September 30, 2016, amounts payable to GSG totaled $215,918.

(c) **North Fort Myers System contingent payments**—As part of the purchase agreement for the North Fort Myers System, the Authority agreed to pay the seller 50% of impact fees collected for a period of 20 years from the closing date in June 2010 or until $25 million has been paid to the seller, whichever occurs first. As of September 30, 2016, $568,350 has been incurred in accordance with this agreement, $93,977 of which was incurred during the year ended September 30, 2016. The Authority also entered into a settlement with a developer of a specific subdivision whereby the developer is entitled to $635 per lot (less a 2.0% handling fee) which impact fees are paid. Total amounts incurred under this agreement at September 30, 2016, were $72,044, $5,686 which was incurred during the year ended September 30, 2016.

(d) **Contracts**—Commitments on outstanding contracts for improvements and maintenance of the Utility Systems totaled $20,709,541 at September 30, 2016.

(e) **Other pending litigation**—The Utility Systems are contingently liable with respect to regulatory inquiries and other claims incidental to the ordinary course of its operations. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of these regulatory inquiries and claims will not have a material adverse effect on the financial position or results of operations of the Utility Systems.

(9) **Related Party Transactions:**

Prior to December 31, 2001, Government Services Group, Inc. (GSG) was partially owned by Nabors, Giblin & Nickerson, P.A., (NGN) which is serving as Bond Counsel with respect to the Authority’s bond issues and Special Authority Counsel of each of the Utility Systems. This direct interest ended through a buyout of NGN shares by GSG.

TAB 3

Statistical Section

STATISTICAL SECTION

This part of the Florida Governmental Utility Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. In some instances, data is not available for all years. In future financial statements, we will add the current year plus continue to report on the years reflected in these schedules until a full ten years of data is presented.

Contents **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time
- Net Position by Component 70
- Changes in Net Position 71
- Summary of Ten Largest Single Water Users 72

Debt Capacity
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.
- Ratios of Outstanding Debt by Fund Type 73
- Pledged Revenue Coverage 74 – 75

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.
- Demographic and Economic Statistics 76 – 77
- Principal Employers 78

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.
- Operating Indicators by Function 79
- Capital Asset Statistics by Function 80 – 82

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Florida Governmental Utility Authority
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in whole dollars)

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
					(Restated)					
Primary Government										
Business-type activities										
Net Investment in Capital Assets	$ 16,432,401	$ 17,914,712	$ 13,992,783	$ 4,939,605	$ (14,035,110)	$ (6,533,854)	$ (17,013,072)	$ (17,843,579)	$ (17,311,873)	$ (16,569,953)
Restricted for capital projects	5,091,960	2,973,351	4,629,009	13,652,745	11,925,265	6,330,759	8,110,836	9,906,166	10,785,462	12,586,073
Restricted for debt service	1,924,309	2,250,265	2,574,639	3,978,362	19,055,348	21,685,846	26,687,847	28,105,157	28,574,185	29,626,800
Unrestricted	3,724,891	5,523,306	6,047,544	8,122,236	13,476,660	17,814,769	27,229,511	34,211,857	42,415,307	52,844,021
Total Business Type Activities Net Position	**$ 27,173,561**	**$ 28,661,634**	**$ 27,243,975**	**$ 30,692,948**	**$ 30,422,163**	**$ 39,297,520**	**$ 45,015,122**	**$ 54,379,601**	**$ 64,463,081**	**$ 78,486,941**
Total Primary Government Net Position	**$ 27,173,561**	**$ 28,661,634**	**$ 27,243,975**	**$ 30,692,948**	**$ 30,422,163**	**$ 39,297,520**	**$ 45,015,122**	**$ 54,379,601**	**$ 64,463,081**	**$ 78,486,941**

The Florida Governmental Utility Authority has no governmental activities. All funds are accounted for in enterprise funds.

Note: Implementation of Governmental Accounting Standards Board (GASB) Statement No. 65, Items Previously Reported as Assets and Liabilities.

Florida Governmental Utility Authority
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in whole dollars)

Description	FISCAL YEAR 2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
					Restated					
Operating Revenues										
Water and wastewater revenue (1)	$ 28,467,322	$ 15,660,843	$ 25,321,022	$ 34,618,769	$ 50,615,714	$ 55,545,185	$ 66,319,456	$ 72,578,666	$ 76,532,418	$ 80,618,152
Other operating revenues	683,818	212,766	73,952	106,801	97,369	214,781	2,690,929	3,112,652	3,413,729	2,892,330
Special assessments	74,773	86,195	39,759	362	-	-	-	-	-	-
Total operating revenues	**$ 29,225,913**	**$ 15,959,804**	**$ 25,434,733**	**$ 34,725,932**	**$ 50,713,083**	**$ 55,759,966**	**$ 69,010,386**	**$ 75,691,318**	**$ 79,946,147**	**$ 83,510,482**
Operating Expenses										
Operating and management services	$ 10,525,349	$ 6,533,699	$ 10,064,112	$ 15,281,545	$ 20,497,628	$ 22,778,812	$ 31,489,919	$ 35,783,063	$ 36,224,092	$ 37,143,136
Other operating expenses	3,788,543	2,841,753	3,985,936	3,222,587	4,062,030	4,374,611	3,193,505	3,372,047	2,987,500	3,419,725
Depreciation and amortization (2)	6,852,093	4,638,000	7,843,407	10,617,680	14,516,388	13,552,276	16,291,959	17,836,854	18,191,389	18,737,495
Total Operating expenses	**$ 21,165,985**	**$ 14,013,452**	**$ 21,893,455**	**$ 29,121,812**	**$ 39,076,046**	**$ 40,705,699**	**$ 50,975,383**	**$ 56,991,965**	**$ 57,402,981**	**$ 59,300,356**
Operating income (loss)	***$ 8,059,928***	***$ 1,946,352***	***$ 3,541,278***	***$ 5,604,120***	***$ 11,637,037***	***$ 15,054,267***	***$ 18,035,003***	***$ 18,699,353***	***$ 22,543,166***	***$ 24,210,126***
Nonoperating revenues (expenses)										
Miscellaneous (rental, investment, scrap)	$ 13,100,362	$ 2,998,645	$ 2,005,572	$ 2,058,884	$ 214,315	$ -	$ 153,394	$ 1,136,507	$ 979,302	$ 1,050,212
Operating grants	-	-	-	-	-	-	-	-	-	292,386
Interest expense (net)	(7,860,464)	(5,154,598)	(8,319,821)	(11,380,492)	(14,250,220)	(15,605,019)	(17,693,700)	(18,120,059)	(18,562,920)	(17,468,033)
Debt issuance costs	-	-	-	-	-	(508,069)	(2,870,865)	-	(621,419)	(153,398)
Loss on sale of system (transfer of net assets) (3, 4)	(80,868,281)	-	-	-	-	-	-	-	-	-
Total nonoperating revenues (expenses)	**$ (75,628,383)**	**$ (2,155,953)**	**$ (6,314,249)**	**$ (9,321,608)**	**$ (14,035,905)**	**$ (16,113,088)**	**$ (20,411,171)**	**$ (16,983,552)**	**$ (18,205,037)**	**$ (16,278,833)**
Income (loss) before capital contributions	***$ (67,568,455)***	***$ (209,601)***	***$ (2,772,971)***	***$ (3,717,488)***	***$ (2,398,868)***	***$ (1,058,821)***	***$ (2,376,169)***	***$ 1,715,801***	***$ 4,338,129***	***$ 7,931,293***
Capital contributions										
Capital grants	$ -	$ 110,058	$ 17,500	$ -	$ 10,715,974	$ 7,220,049	$ 4,172,288	$ 3,653,010	$ 2,916,079	$ 2,977,457
Recoverable portion of purchase price	-	-	-	-	888,426	1,523,016	1,523,016	1,523,016	1,523,016	1,528,480
Impact fees and Developer contributions	3,795,748	1,587,616	1,337,812	7,166,457	776,181	1,191,113	2,398,466	2,472,649	1,306,256	1,586,630
Total capital contributions	***$ 3,795,748***	***$ 1,697,674***	***$ 1,355,312***	***$ 7,166,457***	***$ 12,380,581***	***$ 9,934,178***	***$ 8,093,771***	***$ 7,648,674***	***$ 5,745,351***	***$ 6,092,567***
Increase (decrease) in net position	**$ (63,772,707)**	**$ 1,488,073**	**$ (1,417,659)**	**$ 3,448,969**	**$ 9,981,713**	**$ 8,875,357**	**$ 5,717,602**	**$ 9,364,475**	**$ 10,083,480**	**$ 14,023,860**
Net position, beginning of year	90,946,268	27,173,561	28,661,634	27,243,975	20,440,450	30,422,163	39,297,520	45,015,122	54,379,601	64,463,081
Net position, end of year	**$ 27,173,561**	**$ 28,661,634**	**$ 27,243,975**	**$ 30,692,948**	**$ 30,422,163**	**$ 39,297,520**	**$ 45,015,122**	**$ 54,379,601**	**$ 64,463,081**	**$ 78,486,941**

Notes:

(1) Water and wastewater revenue is net of bad debt.
(2) Depreciation and amortization for system assets and goodwill.
(3) The Loss on sale of system amount under the Expenses section represents the net asset value of those systems that transitioned from FGUA ownship.
(4) During fiscal year 2007 the Poinciana and Citrus Utility systems were tranfered to their local governmental authorities.

Florida Governmental Utility Authority
Summary of Top Ten Customers (Based on Sales Revenue)
September 30, 2016

System	Sales Revenue	% of Total Sales Revenue
GOLDEN GATE		
PACIFICA NAPLES LLC	$ 377,168	5.06%
PAR ONE HOMEOWNERS	274,610	3.69%
CORAL PALMS NAPLES APT LLC	261,610	3.51%
4300 ATOLL COURT LLC	109,257	1.47%
RANIERI (QUALITY INN)	78,700	1.06%
TILDEN FUNDAMENTAL PL APTS	54,877	0.74%
BENCHMARK WAVERLEY PLACE	53,075	0.71%
WAVA, INC	52,493	0.70%
NAPLES COIN LAUNDRY, INC	51,946	0.70%
PIKUS PROPERTY MGMT, LLC	50,492	0.68%
TOTAL	**$ 1,364,228**	**18.32%**
LEHIGH ACRES		
LEHIGH REGIONAL MED CENTER	$ 128,526	0.95%
WALMART STORES	87,998	0.65%
SUNSHINE VILLAS	69,478	0.51%
PHOENIX ASSOCIATES OF NAPLES	63,741	0.47%
HOPE HOSPICE	48,424	0.36%
FOUNTAIN CREST RETIREMENT	44,816	0.33%
TORTUGA PRESERVE ELEMENTARY	42,113	0.31%
EAST LEE COUNTY HIGH SCHOOL	41,286	0.30%
LEHIGH ELEMENTARY SCHOOL	39,208	0.29%
LEHIGH HIGH SCHOOL	36,859	0.27%
TOTAL	**$ 602,449**	**4.44%**
PASCO		
PALMS AT WYNDTREE	$ 171,278	0.93%
PARK AT BARRINGTON, LLC	161,500	0.87%
CRP HOLDINGS CSS LLC	103,728	0.56%
BCM TRINITY, LLC	98,639	0.53%
DISTRICT SCHOOL BOARD PASCO	98,415	0.53%
TANDEM HEALTH CARE	93,992	0.51%
EASTLAKE REHAB&CARE CENTER LLC	87,288	0.47%
PARK AT ASHLEY PLACE LP	75,932	0.41%
HOLIDAY HOTEL AND RESORT LLC	74,225	0.40%
WAL-MART STORE, INC.	66,197	0.36%
TOTAL	**$ 1,031,194**	**5.57%**
PASCO AQUA		
SYBRA INC #1310	$ 12,512	0.33%
SUNSHINE INVESTMENT	8,791	0.23%
AMERICAN CONDOMINIUM PARKS, INC	8,409	0.22%
FLORIDA VILLAGE SQUARE	6,467	0.17%
AAA	6,433	0.17%
SERGIOS REST	6,132	0.16%
ROBINSON	3,914	0.10%
JASMINE LAKES CIVIC ASSN	3,891	0.10%
LAND TRUST FOR 7731 JUDITH	3,746	0.10%
HOPKINS	2,965	0.08%
TOTAL	**$ 63,260**	**1.66%**
UNIFIED AQUA		
SOUTH SEAS RESORT	$ 381,524	5.36%
BFI WASTE SYSTEMS OF N A	267,294	3.76%
FLA REFUSE SERVICE INC	124,990	1.76%
BEACH VILLAS III CONDO	52,326	0.74%
SUNSET BEACH VILLAS	48,669	0.68%
LAND'S END VILLAGE	41,757	0.59%
BAYSIDE VILLAS CONDO	36,542	0.51%
TENNIS VILLAS	33,628	0.47%
RIVERBEND CONDO ASSN	30,448	0.43%
UNITED PARCEL SERVICE	30,326	0.43%
TOTAL	**$ 1,047,504**	**14.73%**

System	Sales Revenue	% of Total Sales Revenue
CONSOLIDATED		
PARADISE LAKES CONDO. ASSOC.	$ 232,162	3.98%
ALTA TERRA BELLA, LP	58,884	1.01%
NORTH BAY S.R. 54 FACILITY	45,141	0.77%
THE FOUNTAINS AT PARADISE LAKES	30,629	0.53%
WALMART STORES EAST, LP	28,168	0.48%
DENHAM OAKS ELEMENTARY	27,335	0.47%
TRINITY INVESTMENT GROUP	21,384	0.37%
GULFSIDE ELEMENTARY	20,356	0.35%
FMC LAND O' LAKES, LLC	16,878	0.29%
TERRA BELLA HOMEOWNERS	16,691	0.29%
TOTAL	**$ 497,628**	**8.54%**
LINDRICK		
GULF HARBOR CONDOS	$ 319,845	7.11%
NEW PORT COLONY	124,992	2.78%
LANDINGS OF ST ANDREWS	95,179	2.12%
SEAVIEW PLACE CONDOMINIUMS	87,461	1.94%
LANDINGS AT SEA FOREST	72,640	1.61%
SEA CASTLE CONDO	47,829	1.06%
HARBOR VILLAS CONDO	47,284	1.05%
MARINERS WAY OF NPR	41,846	0.93%
WINDWARD COVE CONDO	39,008	0.87%
HEATHER COVE	29,461	0.65%
TOTAL	**$ 905,545**	**20.12%**
NFMU		
LEE COUNTY BOCC - UTILITIES	$ 1,694,977	16.88%
BUCCANEER ESTATES	434,113	3.73%
ISLAND VISTA ESTATES LLC	294,052	2.53%
MHC WINDMILL VILLAGE	258,265	2.22%
SIX LAKES COUNTRY CLUB IN	220,642	1.90%
THE HERITAGE	194,102	1.67%
PIONEER VILLAGE	136,979	1.18%
SERENDIPITY MOBIL HOME PARK	133,239	1.14%
CITY OF CAPE CORAL	103,563	0.89%
FOUNTAIN VIEW RV	68,040	0.58%
TOTAL	**$ 3,537,972**	**32.72%**
LAKE AQUA		
S CHASE HOMEOWNERS ASSOC.	$ 24,704	0.69%
MHC OPERATING LP	17,874	0.50%
BILL BRYAN CHRYSLERPLYMOUTH	16,045	0.45%
JACOBSON	15,693	0.44%
MUNN SALES SERVICE INC	8,059	0.22%
TRAN	6,361	0.18%
S CHASE HOMEOWNERS ASSN	4,686	0.13%
GORDON	4,532	0.13%
CIRCLE K STORES INC.	4,320	0.12%
L'HOMMEDIEU	4,120	0.11%
TOTAL	**$ 106,394**	**2.97%**

Florida Governmental Utility Authority
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in whole dollars)

	Business-Type Activities					
Fiscal Year	Water & Wastewater Revenue Bonds (1)	Other Debt (2)	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Utility Customer
2007	145,239,428	-	-	145,239,428	na	1,519
2008	143,294,162	-	-	143,294,162	na	4,865
2009	252,014,267	-	-	252,014,267	na	4,295
2010	318,184,200	9,564,794	-	327,748,994	na	4,117
2011	343,764,200	3,003,105	-	346,767,305	na	4,316
2012	343,625,000	7,644,540	-	351,269,540	na	4,030
2013	435,550,000	7,282,125	1,586,568	444,418,693	na	4,097
2014	397,170,000	6,964,979	1,427,343	405,562,322	na	3,639
2015	410,030,000	6,792,943	1,264,498	418,087,441	na	3,742
2016	380,760,000	21,858,940	1,097,951	403,716,891	na	3,538

Notes: (1) This amount excludes the Barefoot Bay bonds as the FGUA acts as a pass-through agent only. See Note 7 for Barefoot Bay bonds balance.

(2) Other Debt includes State Revolving Loan Fund (SRF) debt, the SunTrust Energy Project debt, and Seller-Financed Notes. The MacDill AFB Seller-Financed note is excluded because it is fully-subsidized, the note is not secured by revenues, and because the AFB is considered one customer, which would skew the "per utility customer" ratio. See Note 7 for MacDill debt balance.

Florida Governmental Utility Authority
Pledged-Revenue Coverage
Last Ten Fiscal Years
(amounts expressed in whole dollars)

		Debt Secured by Pledged Revenue						Special Assessment Bonds			
					Debt Service				Debt Service		
Fiscal Year	Name of System	Water, Wastewater and Other Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Principal	Interest (3)	Coverage	Special Assessment	Principal	Interest	Coverage
2007											
	Golden Gate	6,498,238	2,823,225	3,675,013	801,652	1,947,323	1.34	74,773	54,866	14,272	1.08
	Lehigh Acres	12,070,977	5,047,070	7,023,907	1,170,000	3,003,803	1.68	-	-	-	-
	Total	$18,569,215	$7,870,295	$10,698,920	$1,971,652	$4,951,126	1.55	$74,773	$54,866	$14,272	1.08
2008											
	Golden Gate	6,066,118	3,172,185	2,893,933	795,642	1,918,578	1.07	86,195	59,240	8,255	1.28
	Lehigh Acres	10,707,788	6,020,572	4,687,216	1,305,000	2,970,503	1.10	-	-	-	-
	Total	$16,773,906	$9,192,757	$7,581,149	$2,100,642	$4,889,081	1.08	$86,195	$59,240	$8,255	1.28
2009											
	Golden Gate	5,704,070	3,079,882	2,624,188	829,749	1,360,084	1.20	39,759	90,145	3,513	0.42
	Lehigh Acres	10,594,737	6,337,683	4,257,054	1,335,000	2,192,343	1.21	-	-	-	-
	Pasco Systems (4)	9,258,799	4,612,090	4,646,709	-	2,909,619	1.60	-	-	-	-
	Total	$25,557,606	$14,029,655	$11,527,951	$2,164,749	$6,462,046	1.34	$39,759	$90,145	$3,513	0.42
2010											
	Golden Gate	6,141,890	2,877,879	3,264,011	864,474	1,874,800	1.19	-	-	-	-
	Lehigh Acres	10,200,210	5,428,303	4,771,907	1,380,000	2,970,455	1.10	-	-	-	-
	Pasco Systems	14,494,924	4,612,090	9,882,834	-	4,930,583	2.00	-	-	-	-
	Consolidated (5)	656,710	425,806	230,904	-	176,400	1.31	-	-	-	-
	Lindrick (5)	2,020,189	1,137,864	882,325	-	676,921	1.30	-	-	-	-
	North Fort Myers (5)	1,174,236	674,730	499,506	-	401,866	1.24	-	-	-	-
	Total	$34,688,159	$15,156,672	$19,531,487	$2,244,474	$11,031,026	1.47	-	-	-	-
2011											
	Golden Gate	6,745,712	3,112,442	3,633,270	897,072	2,145,828	1.19	-	-	-	-
	Lehigh Acres	11,888,187	6,051,218	5,836,969	1,415,000	3,439,336	1.20	-	-	-	-
	Pasco Systems	16,366,387	7,524,066	8,842,321	-	7,178,225	1.23	-	-	-	-
	Consolidated	823,093	538,282	284,811	-	227,976	1.25	-	-	-	-
	Lindrick	4,232,463	1,632,076	2,600,387	-	1,865,225	1.39	-	-	-	-
	North Fort Myers	8,333,037	3,718,003	4,615,034	-	3,726,984	1.24	-	-	-	-
	Total	$48,388,879	$22,576,087	$25,812,792	$2,312,072	$18,583,574	1.24	-	-	-	-
2012											
	Golden Gate	6,621,557	2,884,461	3,737,096	936,561	2,124,023	1.22	-	-	-	-
	Lehigh Acres	11,608,382	5,480,600	6,127,782	1,465,000	3,477,651	1.24	-	-	-	-
	Pasco Systems	16,516,475	9,321,853	7,194,622	-	4,785,891	1.50	-	-	-	-
	Consolidated	1,976,950	977,353	999,597	-	453,053	2.21	-	-	-	-
	Lindrick	3,868,309	1,992,190	1,876,119	250,000	1,201,605	1.29	-	-	-	-
	North Fort Myers	7,614,567	4,125,609	3,488,958	200,004	2,720,739	1.19	-	-	-	-
	Total	$48,206,240	$24,782,066	$23,424,174	$2,851,565	$14,762,962	1.33	-	-	-	-
2013											
	Golden Gate	6,646,052	2,966,733	3,679,319	1,072,412	1,910,268	1.23	-	-	-	-
	Lehigh Acres	12,782,792	6,039,445	6,743,347	590,000	3,612,996	1.60	-	-	-	-
	Pasco Systems	17,738,116	10,044,662	7,693,454	1,375,000	4,881,691	1.23	-	-	-	-
	Consolidated	4,545,813	2,524,771	2,021,042	220,000	1,120,726	1.51	-	-	-	-
	Lindrick	4,484,435	2,100,149	2,384,286	380,000	1,216,054	1.49	-	-	-	-
	North Fort Myers	8,908,982	4,876,976	4,032,006	750,000	2,759,660	1.15	-	-	-	-
	Lake Aqua	1,642,755	979,501	663,254	-	383,646	1.73	-	-	-	-
	Pasco Aqua	1,577,468	745,693	831,775	-	431,466	1.93	-	-	-	-
	Unified Aqua	3,326,669	2,157,780	1,168,889	-	522,189	2.24	-	-	-	-
	Total	$61,653,082	$32,435,710	$29,217,372	$4,387,412	$16,838,696	1.38	-	-	-	-

Florida Governmental Utility Authority
Pledged-Revenue Coverage (continued)
Last Ten Fiscal Years
(amounts expressed in whole dollars)

Fiscal Year	Name of System	Water, Wastewater and Other Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Secured by Water/Wastewater Revenue: Debt Service Principal	Debt Secured by Water/Wastewater Revenue: Debt Service Interest (3)	Coverage	Special Assessment Bonds: Special Assessment	Special Assessment Bonds: Debt Service Principal	Special Assessment Bonds: Debt Service Interest	Special Assessment Bonds: Coverage
2014											
	Golden Gate	7,284,315	2,828,956	4,455,359	918,750	1,184,472	2.12	-	-	-	-
	Lehigh Acres	13,070,967	6,299,583	6,771,384	1,645,000	2,954,708	1.47	-	-	-	-
	Pasco Systems	17,662,991	9,648,352	8,014,639	2,310,000	4,890,205	1.11	-	-	-	-
	Consolidated	5,465,375	2,562,348	2,903,027	220,000	915,208	2.56	-	-	-	-
	Lindrick	4,397,096	2,159,740	2,237,356	455,000	1,217,251	1.34	-	-	-	-
	North Fort Myers	9,500,526	5,122,877	4,377,649	1,009,991	2,773,115	1.16	-	-	-	-
	Lake Aqua	3,427,822	2,036,859	1,390,963	350,000	754,714	1.26	-	-	-	-
	Pasco Aqua	3,293,298	1,490,673	1,802,625	385,000	848,785	1.46	-	-	-	-
	Unified Aqua	6,859,074	4,456,241	2,402,833	555,000	1,027,256	1.52	-	-	-	-
	Total	$70,961,464	$36,605,629	$34,355,835	$7,848,741	$16,565,713	1.41	-	-	-	-
2015											
	Golden Gate	7,659,678	2,944,005	4,715,673	1,117,036	1,627,298	1.72	-	-	-	-
	Lehigh Acres	13,847,202	6,202,193	7,645,009	1,100,000	2,675,193	2.03	-	-	-	-
	Pasco Systems	18,582,004	9,259,062	9,322,942	2,845,000	4,843,739	1.21	-	-	-	-
	Consolidated	5,700,323	2,635,265	3,065,058	495,000	1,110,358	1.91	-	-	-	-
	Lindrick	4,482,545	2,191,805	2,290,740	475,000	1,197,469	1.37	-	-	-	-
	North Fort Myers	11,326,192	5,370,059	5,956,133	1,230,000	2,745,340	1.50	-	-	-	-
	Lake Aqua	3,512,793	2,040,588	1,472,205	360,000	747,032	1.33	-	-	-	-
	Pasco Aqua	3,475,577	1,456,076	2,019,501	395,000	840,486	1.63	-	-	-	-
	Unified Aqua	6,929,384	4,634,578	2,294,806	565,000	1,016,157	1.45	-	-	-	-
	Total	$75,515,698	$36,733,631	$38,782,067	$8,582,036	$16,803,072	1.53	-	-	-	-
2016											
	Golden Gate	7,902,396	2,995,452	4,906,944	1,167,059	1,584,474	1.78	-	-	-	-
	Lehigh Acres	14,342,314	6,672,418	7,669,896	1,880,000	2,718,738	1.67	-	-	-	-
	Pasco Systems	19,254,181	9,786,527	9,467,654	2,910,000	4,763,331	1.23	-	-	-	-
	Consolidated	5,870,824	2,510,270	3,360,554	615,000	1,105,108	1.95	-	-	-	-
	Lindrick	4,528,904	2,219,169	2,309,735	500,000	1,173,112	1.38	-	-	-	-
	North Fort Myers	11,743,355	5,424,734	6,318,621	1,290,000	2,702,054	1.58	-	-	-	-
	Lake Aqua	3,748,148	2,169,394	1,578,754	365,000	739,132	1.43	-	-	-	-
	Pasco Aqua	3,854,826	1,675,857	2,178,969	405,000	831,968	1.76	-	-	-	-
	Unified Aqua	7,506,629	4,616,515	2,890,114	575,000	1,004,857	1.83	-	-	-	-
	Total	$78,751,577	$38,070,336	$40,681,241	$9,707,059	$16,622,774	1.55	-	-	-	-

Notes: (1) Includes operating revenues, investment income, and miscellaneous income. Also includes funds from Rate Stabilization accounts in accordance with Bond documents. Excludes water and wastewater impact fee revenue and special assessments.

(2) Excludes depreciation and amortization expenses.

(3) Netted against Build America Bond subsidies received.

(4) The Pasco Systems includes the Aloha Gardens and Seven Springs service areas. This system was purchased on February 27, 2009 and issued $106,710,000 in debt for the acquistion.

(5) The FGUA purchased the Consolidated Systems, the Lindrick Utility Systems and the North Fort Myers Utility Systems during FY 2010 and Issued debt for $5,124,000, $24,665,000, and $62,440,000 respectively for these aquisitions.

Florida Governmental Utility Authority
Demographic and Economic Statistics
Last Ten Fiscal Years

		Estimated population served	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2007						
	Golden Gate	22,970	54,337	62.4	42,775	2.7
	Lehigh Acres	585,608	35,411	43.7	78,775	2.7
	Total	**608,578**				
2008						
	Golden Gate	23,101	71,033	62.4	42,062	5.1
	Lehigh Acres	615,741	39,410	43.2	80,526	5.2
	Total	**638,842**				
2009						
	Golden Gate	22,556	79,315	63.0	41,666	8.2
	Lehigh Acres	623,725	41,864	42.7	79,457	9.2
	Pasco Systems	439,702	27,628	41.6	62,530	12.5
	Total	**1,085,983**				
2010						
	Golden Gate	21,651	76,708	62.5	42,786	10.0
	Lehigh Acres	615,124	41,954	42.7	80,161	13.9
	Pasco Systems	437,500	29,113	45.6	66,994	13.2
	Consolidated Systems	See Pasco System	29,113	45.6	66,994	13.2
	Lindrick Systems	See Pasco System	29,113	45.6	66,994	13.2
	NFMU Systems	See Lehigh System	41,954	43	80,161	13.9
	Total	**1,074,275**				
2011						
	Golden Gate	22,390	75,910	63.8	42,098	12.4
	Lehigh Acres	622,900	38,653	42.8	81,929	13.5
	Pasco Systems	464,697	29,113	45.6	66,994	13.2
	Consolidated Systems	See Pasco System	29,113	45.6	66,994	13.2
	Lindrick Systems	See Pasco System	29,113	45.6	66,994	13.2
	NFMU Systems	See Lehigh System	38,653	34.4	81,929	13.5
	Total	**1,109,987**				
2012						
	Golden Gate	19,537	74,862	63.9	42,430	10.3
	Lehigh Acres	625,310	30,363	45.6	83,771	11.2
	Pasco Systems	464,697	29,236	43.6	67,337	11.7
	Consolidated Systems	See Pasco System	29,236	43.6	67,337	11.7
	Lindrick Systems	See Pasco System	29,236	43.6	67,337	11.7
	NFMU Systems	See Lehigh System	30,363	45.6	83,771	11.2
	Total	**1,109,544**				
2013						
	Golden Gate	19,939	82,316	64.2	44,346	10.0
	Lehigh Acres	631,330	43,022	45.7	85,581	8.7
	Pasco Systems	468,562	30,424	43.6	66,497	9.7
	Consolidated Systems	See Pasco System	30,424	43.6	66,497	9.7
	Lindrick Systems	See Pasco System	30,424	43.6	66,497	9.7
	NFMU Systems	See Lehigh System	43,022	45.7	85,581	8.7
	Lake Aqua	301,019	33,846	46.2	40,753	8.9
	Pasco Aqua	See Pasco System	30,424	43.6	66,497	9.7
	Unified Aqua	360,308	33,520	42.2	57,023	8.0
	Total	**1,781,158**				

Florida Governmental Utility Authority
Demographic and Economic Statistics
Last Ten Fiscal Years

		Estimated population served	Per Capita Personal Income	Median Age		School Enrollment	Unemployment Rate
2014							
	Golden Gate	20,115	83,798	64.3		44,881	7.2
	Lehigh Acres	638,029	40,248	45.6		87,215	7.2
	Pasco Systems	473,566	33,228	43.6		67,374	7.8
	Consolidated Systems	See Pasco System	33,228	43.6		67,374	7.8
	Lindrick Systems	See Pasco System	33,228	43.6		67,374	7.8
	NFMU Systems	See Lehigh System	40,248	45.6		87,215	7.2
	Lake Aqua	303,186	34,442	46.2		40,753	6.9
	Pasco Aqua	See Pasco System	33,228	43.6		67,374	7.8
	Unified Aqua	522,512	33,579	38.6		79,938	6.9
	Total	**1,957,408**					
2015							
	Golden Gate	20,537	80,156	64.0		44,415	5.9
	Lehigh Acres	643,367	43,169	45.7		90,887	6.1
	Pasco Systems	479,340	32,711	43.8		66,904	6.7
	Consolidated Systems	See Pasco System	32,711	43.8		66,904	6.7
	Lindrick Systems	See Pasco System	32,711	43.8		66,904	6.7
	NFMU Systems	See Lehigh System	43,169	45.7		90,887	6.1
	Lake Aqua	315,690	35,786	na		na	6.3
	Pasco Aqua	See Pasco System	32,711	43.8		66,904	6.7
	Unified Aqua	465,905	37,636	36.7		69,392	6.6
	Total	**1,924,839**					
2016							
(1)	Golden Gate	20,968	84,721	64.0		45,995	4.9
(2)	Lehigh Acres	665,845	48,453	46.2		92,780	5.1
(3)	Pasco Systems	487,588	33,795	44.1		70,169	6.0
(3)	Consolidated Systems	See Pasco System	33,795	44.1		70,169	6.0
(3)	Lindrick Systems	See Pasco System	33,795	44.1		70,169	6.0
(2)	NFMU Systems	See Lehigh System	48,453	46.2		92,780	5.1
(4)	Lake Aqua	325,875	37,698	46.8	(7)	42,000	5.2
(3)	Pasco Aqua	See Pasco System	33,795	44.1		70,169	6.0
(5)	Unified Aqua	472,387	36,512	38.1	(6)	68,879	5.5
	Total	**1,972,663**					

Data Sources:

(1) City of Naples FY2015 CAFR. Information for Golden Gate System is not specific to the service area. Information reflects the City of Naples data.

(2) Lee County FY2015 CAFR. Information for Lehigh Acres and NFMU System data is not specific to the service area. Information reflects the Lee County data.

(3) Pasco County FY2015 CAFR. Information for Pasco, Consolidated, Lindrick and Aqua Pasco data is not specific to the service area. Information reflects the Pasco County data.

(4) Lake County FY2015 CAFR, U.S. Census and Office of Economic and Development Research. Information for Aqua Lake data is not specific to the service area. Information reflects the Lake County data.

(5) Seminole, Marion, and Polk County FY2015 CAFRs. Information for Aqua Unified data is not specific to the service area. Information reflects the average Seminole County, Marion County, and Polk County data.

(6) Seminole County FY2015 CAFR. Median Aga information available for Seminole County only.

(7) School Enrollment data provided from Lake County School Board

Florida Governmental Utility Authority
Principal Employers
Last Four Fiscal Years

Employer	2016 Employees	2016 Rank	2016 Percentage of total County Employment	2015 Employees	2015 Rank	2015 Percentage of total County Employment	2014 Employees	2014 Rank	2014 Percentage of total County Employment	2013 Employees	2013 Rank	2013 Percentage of total County Employment
Golden Gate (1)												
Collier County School District	7,041	1	25.4%	5,365	1	21.1%	5,288	1	20.8%	5,374	1	22.2%
NCH Healthcare System	7,000	2	25.2%	4,000	2	15.7%	4,000	2	15.7%	3,007	2	12.4%
Publix Supermarket	6,968	3	25.1%	2,214	7	8.7%	800	7	3.1%	2,214	3	9.1%
Collier County Government	1,600	4	5.8%	1,946	3	7.6%	2,157	3	8.5%	2,121	4	8.8%
Marriott Corporation, Inc. (Ritz Carlton)	1,100	5	4.0%	800	6	3.1%	1,100	6	4.3%	743	6	3.1%
The Country Club of Naples	1,050	6	3.8%									
Collier County Sheriff's Office	1,029	7	3.7%	1,367	4	5.4%	1,867	4	7.3%	1,387	5	5.7%
The Moorings	754	8	2.7%	730	10	2.9%	730	10	2.9%	730	8	3.0%
Naples Grande Beach Resort	700	9	2.5%									
Fifth-Third Bank	500	10	1.8%	733	9	2.9%	733	9	2.9%	733	7	3.0%
Waldorf Astoria (Naples Grande Beach)				760	8	3.0%	760	8	3.0%	605	9	2.5%
Allen Systems Group				1,200	5	4.7%	1,300	5	5.1%			
Barron Collier Partnership										600	10	2.5%
Estimated Other Employers	N/A			6,325		24.9%	6,684		26.3%	6,684		27.6%
Total	**27,742**		**100.0%**	**25,440**		**100.0%**	**25,419**		**100.0%**	**24,198**		**100.0%**
Lehigh Acres and North Fort Myers (2)												
Lee Memorial Health System	10,900	1	3.5%	10,500	1	3.7%	10,425	1	3.8%	10,249	1	3.7%
Lee County School District	10,600	2	3.4%	10,000	2	3.5%	10,333	2	3.8%	9,394	2	3.4%
Publix Super Markets	5,007	3	1.6%	5,297	3	1.9%	4,404	3	1.6%	4,362	3	1.6%
Lee County Government	2,584	4	0.8%	2,528	4	0.9%	2,358	4	0.9%	2,538	4	0.9%
Wal-Mart	2,507	5	0.8%	2,075	5	0.7%	1,967	5	0.7%	1,967	5	0.7%
Home Depot	1,783	6	0.6%									
City of Cape Coral	1,654	7	0.5%	1,654	7	0.6%	1,197	9	0.4%	1,197	9	0.4%
Chico's FAS, Inc	1,642	8	0.5%	1,703	6	0.6%	1,703	6	0.6%	1,253	8	0.5%
Lee County Sheriff's Office	1,585	9	0.5%	1,508	8	0.5%	1,535	7	0.6%	1,585	6	0.6%
U.S. Postal Service	1,477	10	0.5%				1,477	8	0.5%	1,291	7	0.5%
Florida Gulf Coast University				1,490	9	0.5%						
ShellPoint Retirement Community				1,000	10	0.4%						
Target							1,100	10	0.4%	1,100	10	0.4%
Estimated Other Employers	269,514		87.2%	244,842		86.6%	237,930		86.7%	240,151		87.3%
Total	**309,253**		**100.0%**	**282,597**		**100.0%**	**274,429**		**100.0%**	**275,087**		**100.0%**
Pasco, Consolidated, Lindrick and Pasco Aqua Utility Systems (3)												
Pasco County School District	9,713	1	4.9%	9,278	1	5.2%	9,289	1	4.8%	9,289	1	4.7%
Pasco County Government	2,730	2	1.4%	2,627	3	1.5%	2,026	5	1.0%	2,000	3	1.0%
HCA Health Services of Florida (Regional Medical Center Bayonet Point, Medical Center of Trinity fka Community Hospital)	2,597	3	1.3%	2,646	2	1.5%	2,502	3	1.3%	2,086	6, 8	1.1%
State of Florida Government	1,211	4	0.6%	1,218	5	0.7%	1,262	7	0.6%	1,296	5	0.7%
Pasco County Sheriff	1,189	5	0.6%	1,336	4	0.7%	1,319	6	0.7%	1,300	4	0.7%
Morton Plant North Bay Hospital	873	6	0.4%	873	8	0.5%	831	10	0.4%	777	10	0.4%
Florida Hospital Zephyrhills	847	7	0.4%	950	7	0.5%	1,000	9	0.5%	1,050	7	0.5%
Florida Hospital Wesley Chapel	750	8	0.4%									
Saint Leo University	726	9	0.4%									
Federal Government	724	10	0.4%	729	10	0.4%						
WalMart Supercenters				766	9	0.4%	2,531	2	1.3%	2,050	2	1.0%
Physicians Injury Medical Center							2,200	4	1.1%			
Florida Medical Clinic				1,193	6	0.7%	1,066	8	0.5%	909	9	0.5%
Estimated Other Employers	178,080		89.3%	158,517		88.0%	171,307		87.7%	176,929		89.5%
Total	**199,440**		**100.0%**	**180,133**		**100.0%**	**195,333**		**100.0%**	**197,686**		**100.0%**
Lake Aqua Utility System (4)												
Lake County Public Schools	5,435	1	4.1%	5,435	1	4.3%	6,796	1	5.5%	4,353	1	3.6%
Leesburg Regional Medical	1,826	2	1.4%	1,826	2	1.4%	2,299	2	1.9%	2,093	2	1.8%
Lake County Government	1,782	3	1.3%	1,501	3	1.2%	1,411	5	1.1%	1,817	4	1.5%
Florida Hospital Waterman	1,482	4	1.1%	1,482	4	1.2%	1,500	3	1.2%	1,400	5	1.2%
Southlake Hospital	1,143	5	0.9%	1,143	5	0.9%	1,500	4	1.2%			
Villages of Lake-Sumter, Inc.	1,120	6	0.8%	1,120	6	0.9%	1,120	6	0.9%	2,022	3	1.7%
Lake Port Square	500	7	0.4%	500	7	0.4%	400	9	0.3%			
Lifestream Behavioral Company	500	7	0.4%	500	7	0.4%						
Dura-Stress, Inc.	425	8	0.3%	425	8	0.3%						
Hewitt Contracting Company	370	9	0.3%	370	9	0.3%						
Southeast Modular Manufacturing	325	10	0.2%	325	10	0.3%						
Lake Medical Imaging							500	7	0.4%			
Ranye Components							400	10	0.3%			
Embarq										811	6	0.7%
Casmin Incorporated										800	7	0.7%
G&T Conveyor Company, Inc.										550	8	0.5%
Bailey Industries										509	9	0.4%
Accent										500	10	0.4%
Estimated Other Employers	119,063		88.9%	113,042		88.5%	107,413		87.1%	104,733		87.6%
Total	**133,971**		**100.0%**	**127,669**		**100.0%**	**123,339**		**100.0%**	**119,588**		**100.0%**
Unified Aqua Utility System (5)												
Polk County School Board	13,135	1	2.0%	13,121	1	2.1%	13,800	1	2.2%	13,800	1	2.2%
Publix Supermarkets (Polk & Marion)	11,737	2	1.8%	12,030	2	1.9%	10,470	2	1.7%	9,800	2	1.5%
Walmart (Polk & Marion)	8,608	3	1.3%	7,470	4	1.2%	5,100	5	0.8%	5,100	5	0.8%
Seminole County Public Schools	7,687	4	1.2%	7,751	3	1.2%	7,952	3	1.3%	7,220	3	1.1%
Marion County Public Schools	6,070	5	0.9%	6,071	6	1.0%	6,071	4	1.0%	6,071	4	0.9%
Lakeland Regional Medical Center	4,499	6	0.7%	4,500	8	0.7%	4,500	7	0.7%	4,500	7	0.7%
Polk County Government	4,472	7	0.7%	4,500	7	0.7%	4,500	6	0.7%	4,500	6	0.7%
Orlando Sanford International Airport	3,500	8	0.5%	3,500	10	0.6%						
AT&T (Seminole + Marion)	3,063	9	0.5%	4,063	9	0.6%						
Munroe Regional Medical Center	2,648	10	0.4%				2,648	10	0.4%	2,648	9	0.4%
State of Florida (Polk + Marion)				6,900	5	1.1%	4,300	8	0.7%	4,300	8	0.7%
Mosiac							3,000	9	0.5%			
State of Florida (Marion County)										2,600	10	0.4%
Estimated Other Employers	584,445		89.9%	556,200		88.8%	563,765		90.0%	578,855		90.5%
Total	**649,864**		**100.0%**	**626,106**		**100.0%**	**626,106**		**100.0%**	**639,394**		**100.0%**

(1) City of Naples FY2015 CAFR
Note: Employer Statistical Information is not available for the specific service area. Information presented is for the whole City of Naples.
(2) Lee County FY2015 CAFR
Note: Employer Statistical Information is not available for the specific service area. Information provided is for all of Lee County.
(3) Pasco County FY2015 CAFR
Note: Information for Pasco Systems is presented for all of Pasco County. This information is relevant for the Pasco, Consolidated, Lindrick and Aqua Pasco Utlity Systems.
(4) Lake County FY2015 CAFR
Note: Employer Statistical Information is not available for the specific service area. Information provided is for all of Lake County.
(5) Seminole County FY2015 CAFR, Polk County FY2015 CAFR, and Marion County FY2015 CAFR
Note: Employer Statistical Information is not available for the specific service area. Information provided is for all of Seminole County and Polk County.
N/A = Not provided or available

Florida Governmental Utility Authority
Operating Indicators by Function
Last Ten Fiscal Years

	Function	Fiscal Year 2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Water											
Citrus (1)	New Connections	105	-	-	-	-	-	-	-	-	-
	Average Daily Flow (mgpd)*	5.775	-	-	-	-	-	-	-	-	-
Poinciana (2)	New Connections	284	-	-	-	-	-	-	-	-	-
	Average Daily Flow (mgpd)*	7.850	-	-	-	-	-	-	-	-	-
Golden Gate	New Connections	55	(1)	(299)	13	13	(78)	68	(46)	6	38
	Average Daily Flow (mgpd)*	1.446	1.411	1.341	1.38	1.427	1.626	1.284	1.374	1.54	1.516
Lehigh Acres	New Connections	267	125	56	60	46	(488)	3	67	41	154
	Average Daily Flow (mgpd)*	2.437	2.162	2.07	2.105	2.199	2.203	2.01	2.051	2.249	2.27
Pasco (3)	New Connections	-	-	15,196	(192)	236	446	213	102	(43)	2,111
	Average Daily Flow (mgpd)*	-	-	4.006	3.28	3.009	3.283	3.119	2.996	2.879	3.018
Consolidated (4)	New Connections	-	-	-	2,358	20	3,596	122	267	53	58
	Average Daily Flow (mgpd)*	-	-	-	0.382	0.360	1.285	1.202	1.081	1.181	1.283
Lindrick	New Connections	-	-	-	2,766	59	(7)	10	250	(4)	15
	Average Daily Flow (mgpd)*	-	-	-	0.704	0.658	0.630	0.653	0.597	0.569	0.566
MacDill AFB	New Connections	-	-	-	1	-	-	-	-	-	-
	Average Daily Flow (mgpd)*	-	-	-	-	1.200	0.977	0.988	0.903	0.856	0.762
North Fort Myers (6)	New Connections	-	-	-	1,839	10	-	-	(8)	2	12
	Average Daily Flow (mgpd)*	-	-	-	0.131	0.077	0.0825	0.086	0.094	0.091	0.083
Lake Aqua	New Connections	-	-	-	-	-	-	4,778	20	(168)	410
	Average Daily Flow (mgpd)*	-	-	-	-	-	-	0.832	0.793	0.778	0.853
Pasco Aqua	New Connections	-	-	-	-	-	-	2,886	(63)	28	421
	Average Daily Flow (mgpd)*	-	-	-	-	-	-	0.237	0.337	0.373	0.377
Unified Aqua	New Connections	-	-	-	-	-	-	7,106	183	49	361
	Average Daily Flow (mgpd)*	-	-	-	-	-	-	1.483	1.470	1.492	1.432
Total	New Connections	711	124	14,953	6,845	384	3,469	15,186	772	(36)	3,580
	Average Daily Flow (mgpd)*	17.508	3.573	7.417	7.982	8.930	10.087	11.894	11.696	12.008	12.160
Wastewater											
Citrus (1)	New Connections	65	-	-	-	-	-	-	-	-	-
	Average Daily Flow (mgpd)*	0.556	-	-	-	-	-	-	-	-	-
Poinciana (2)	New Connections	661	-	-	-	-	-	-	-	-	-
	Average Daily Flow (mgpd)*	5.240	-	-	-	-	-	-	-	-	-
Golden Gate	New Connections	12	(7)	(319)	1	-	(20)	30	(31)	(11)	23
	Average Daily Flow (mgpd)*	1.209	1.204	1.105	1.025	0.863	1.113	1.171	1.08	1.113	1.104
Lehigh Acres	New Connections	138	77	27	89	45	(135)	(18)	36	74	143
	Average Daily Flow (mgpd)*	1.602	1.764	1.674	2.044	1.429	1.446	2.002	1.707	1.92	2.156
Pasco (3)	New Connections	-	-	14,555	(153)	178	420	237	1,917	190	(2,016)
	Average Daily Flow (mgpd)*	-	-	1.345	1.670	1.750	1.891	1.747	1.596	1.674	1.574
Consolidated (7)	New Connections	-	-	-	-	-	3,037	70	214	(13)	29
	Average Daily Flow (mgpd)*	-	-	-	-	-	0.018	0.014	0.017	0.021	0.02
Lindrick	New Connections	-	-	-	2,508	42	(9)	27	9	(5)	14
	Average Daily Flow (mgpd)*+-	-	-	-	-	-	-	-	-	-	-
MacDill AFB	New Connections	-	-	-	1	-	-	-	-	-	-
	Average Daily Flow (mgpd)*	-	-	-	-	0.600	0.413	0.421	0.465	0.577	0.549
North Fort Myers (5)	New Connections	-	-	-	11,650	86	46	46	29	97	9
	Average Daily Flow (mgpd)*	-	-	-	2.097	1.963	1.867	2.983	2.711	3.148	3.815
Lake Aqua	New Connections	-	-	-	-	-	-	1,164	(2)	(2)	83
	Average Daily Flow (mgpd)*	-	-	-	-	-	-	0.125	0.147	0.154	0.152
Pasco Aqua	New Connections	-	-	-	-	-	-	2,742	(77)	31	410
	Average Daily Flow (mgpd)*	-	-	-	-	-	-	0.261	0.282	0.347	0.308
Unified Aqua	New Connections	-	-	-	-	-	-	1,824	114	(31)	85
	Average Daily Flow (mgpd)*	-	-	-	-	-	-	0.446	0.495	0.463	0.421
Total	New Connections	876	70	14,263	14,096	351	3,339	6,122	2,209	330	(1,220)
	Average Daily Flow (mgpd)*	8.607	2.968	4.124	6.836	6.605	6.748	9.170	8.501	9.417	10.099

Notes: * mgpd = Million gallons per day
+ Wastewater treatment provided by Hillsborough County, Florida
++Wastewater treatment provided by City of New Port Richey (0.700 MGD)
+++Wastewater treatment provided by Pasco county, Florida
(1) The Citrus System was transitioned to Citrus County on February 15, 2007.
(2) The Poinciana System was transitioned to the Tohopekaliga Water Authority on April 30, 2007.
(3) The Aloha Gardens and Seven Springs service areas are combined for Financial reporting purposes and called the Pasco Utility Systems.
(4) The Consolidated System is comprised of thirteen small service areas.
(5) The North Fort Myers wastewater treatment is comprised of 2 treatment plants.
(6) Flows reported for Lk Fairways only
(7) Flows reported for Linda Lakes WWTP only

Florida Governmental Utility Authority
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Water											
Citrus**	Number of customer accounts	13,080	-	-	-	-	-	-	-	-	-
	Water mains (miles)	448	-	-	-	-	-	-	-	-	-
	Water treatment plant capacity (mgpd)*	18.098	-	-	-	-	-	-	-	-	-
Poinciana***	Number of customer accounts	23,828	-	-	-	-	-	-	-	-	-
	Water mains (miles)	240	-	-	-	-	-	-	-	-	-
	Water treatment plant capacity (mgpd)*	13.378	-	-	-	-	-	-	-	-	-
Golden Gate	Number of customer accounts	3,970	3,969	3,670	3,683	3,696	3,618	3,686	3,640	3,646	3,684
	Water mains (miles)	42	42	44	44	44	44	44	44	44	44
	Water treatment plant capacity (mgpd)*	2.099	2.099	2.099	2.099	2.099	2.099	2.099	2.099	2.099	2.099
Lehigh Acres	Number of customer accounts	12,579	12,704	12,760	12,820	12,866	12,378	12,381	12,448	12,489	12,643
	Water mains (miles)	195	195	196	196	196	196	196	196	196	196
	Water treatment plant capacity (mgpd)*	3.100	4.100	4.100	4.100	4.100	4.100	3.100	3.100	3.100	3.100
Pasco Systems	Number of customer accounts	-	-	15,196	15,004	15,240	15,686	15,899	16,001	15,958	18,069
	Water mains (miles)	-	-	144	144	144	144	144	144	144	144
	Water treatment plant capacity (mgpd)*++++	-	-	3.125	3.125	2.900	2.900	2.900	2.900	2.900	2.900
Consolidated	Number of customer accounts	-	-	-	2,358	2,378	5,974	6,096	6,363	6,416	6,474
	Water mains (miles)	-	-	-	24	24	36	36	36	36	36
	Water treatment plant capacity (mgpd)*	-	-	-	0.550	0.550	1.627	1.627	1.430	1.388	1.388
Lindrick	Number of customer accounts	-	-	-	2,766	2,825	2,818	2,828	3,078	3,074	3,089
	Water mains (miles)	-	-	-	-	-	-	-	-	-	-
	Water treatment plant capacity (mgpd)*+++++	-	-	-	0.870	0.870	0.870	0.870	0.870	0.870	0.870
MacDill AFB	Number of customer accounts	-	-	-	1	1	1	1	1	1	1
	Water mains (miles)	-	-	-	-	94	94	94	94	94	94
	Water treatment plant capacity (mgpd)+	-	-	-	-	5.000	5.000	5.000	5.000	5.000	5.000
North Fort Myers	Number of customer accounts	-	-	-	1,839	1,849	1,849	1,849	1,841	1,843	1,855
	Water mains (miles)	-	-	-	24	24	24	24	24	24	24
	Water treatment plant capacity (mgpd)*	-	-	-	0.101	0.101	0.101	0.101	0.101	0.101	0.101
Lake Aqua	Number of customer accounts	-	-	-	-	-	-	4,778	4,798	4,630	5,040
	Water mains (miles)	-	-	-	-	-	-	-	-	-	-
	Water treatment plant capacity (mgpd)*	-	-	-	-	-	-	1.693	1.693	1.697	1.818
Pasco Aqua	Number of customer accounts	-	-	-	-	-	-	2,886	2,823	2,851	3,272
	Water mains (miles)	-	-	-	-	-	-	-	-	-	-
	Water treatment plant capacity (mgpd)*	-	-	-	-	-	-	0.328	0.347	0.347	0.347
Unified Aqua	Number of customer accounts	-	-	-	-	-	-	7,106	7,289	7,338	7,699
	Water mains (miles)	-	-	-	-	-	-	-	-	-	-
	Water treatment plant capacity (mgpd)*	-	-	-	-	-	-	3.929	3.929	3.927	3.651
Total	Number of customer accounts	53,457	16,673	31,626	38,471	38,855	42,324	57,510	58,282	58,246	61,826
	Water mains (miles)	925.0	237.0	384.3	432.0	526.4	538.4	538.4	538.0	538.0	538.0
	Water treatment plant capacity (mgpd)*	36.675	6.199	9.324	10.845	15.620	16.697	21.647	21.469	21.429	21.274

Florida Governmental Utility Authority
Capital Asset Statistics by Function (continued)
Last Ten Fiscal Years

	Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Wastewater											
Citrus**	Number of customer accounts	5,678	-	-	-	-	-	-	-	-	-
	Force mains (miles)	17	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	111	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*	0.975	-	-	-	-	-	-	-	-	-
Poinciana***	Number of customer accounts	23,737	-	-	-	-	-	-	-	-	-
	Force mains (miles)	38	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	169	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*	5.550	-	-	-	-	-	-	-	-	-
Golden Gate	Number of customer accounts	2,631	2,624	2,305	2,306	2,306	2,286	2,316	2,285	2,274	2,297
	Force mains (miles)	14	14	14	14	14	14	14	14	14	14
	Gravity sewer mains (miles)	23	23	23	23	23	23	23	23	23	23
	Wastewater treatment plant capacity (mgpd)*	0.950	0.950	0.950	1.250	1.250	1.500	1.500	1.500	1.500	1.500
Lehigh Acres	Number of customer accounts	10,083	10,160	10,187	10,276	10,321	10,186	10,168	10,204	10,278	10,421
	Force mains (miles)	49	49	49	49	49	49	49	49	49	49
	Gravity sewer mains (miles)	103	103	103	103	103	103	103	103	103	103
	Wastewater treatment plant capacity (mgpd)*	2.500	2.500	2.300	2.300	2.300	3.500	3.500	3.000	3.000	3.000
Pasco Systems	Number of customer accounts	-	-	14,555	14,402	14,580	15,000	15,237	17,154	17,344	15,328
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*	-	-	2.100	2.100	2.100	2.100	2.500	2.500	2.500	2.500
Consolidated	Number of customer accounts	-	-	-	-	-	3,037	3,107	3,321	3,308	3,337
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	-	-	20	20	20	20	20
	Wastewater treatment plant capacity (mgpd)*	-	-	-	-	-	0.020	0.020	0.020	0.020	0.020
Lindrick	Number of customer accounts	-	-	-	2,508	2,550	2,541	2,568	2,577	2,572	2,586
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	26	26	26	26	26	26	26
	Wastewater treatment plant capacity (mgpd)*++	-	-	-	0.85	0.85	0.850	0.700	0.700	0.700	0.700
MacDill AFB	Number of customer accounts	-	-	-	1	1	1	1	1	1	1
	Force mains (miles)	-	-	-	-	10.830	10.830	10.830	10.830	10.830	10.830
	Gravity sewer mains (miles)	-	-	-	-	23.040	23.040	23.040	23.040	23.040	23.040
	Wastewater treatment plant capacity (mgpd)*	-	-	-	-	1.200	1.200	1.200	1.200	1.200	1.200
North Fort Myers	Number of customer accounts	-	-	-	11,650	11,736	11,782	11,828	11,857	11,954	11,963
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*+++	-	-	-	3.800	3.800	4.550	4.550	4.550	4.550	4.550
Lake Aqua	Number of customer accounts	-	-	-	-	-	-	1,164	1,162	1,160	1,243
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*	-	-	-	-	-	-	0.345	0.345	0.345	0.345

Florida Governmental Utility Authority
Capital Asset Statistics by Function (continued)
Last Ten Fiscal Years

	Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Pasco Aqua	Number of customer accounts	-	-	-	-	-	-	2,742	2,665	2,696	3,106
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*	-	-	-	-	-	-	0.438	0.438	0.438	0.438
Unified Aqua	Number of customer accounts	-	-	-	-	-	-	1,824	1,938	1,907	1,992
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*	-	-	-	-	-	-	0.741	0.741	0.724	0.766
Total	Number of customer accounts	42,129	12,784	27,047	41,143	41,494	44,833	50,955	53,164	53,494	52,274
	Force mains (miles)	118.0	63.0	63.0	63.0	73.8	73.8	73.8	73.8	73.8	73.8
	Gravity sewer mains (miles)	406.0	126.0	126.0	152.0	175.0	195.0	195.0	195.0	195.0	195.0
	Wastewater treatment plant capacity (mgpd)*	9.975	3.450	5.350	10.300	11.500	13.720	15.494	14.994	14.977	15.019

Notes: * mgpd = Million gallons per day

** The Citrus System was transitioned to Citrus County on February 15, 2007.

***The Poinciana System was transitioned to the Tohopekaliga Water Authority on April 30, 2007.

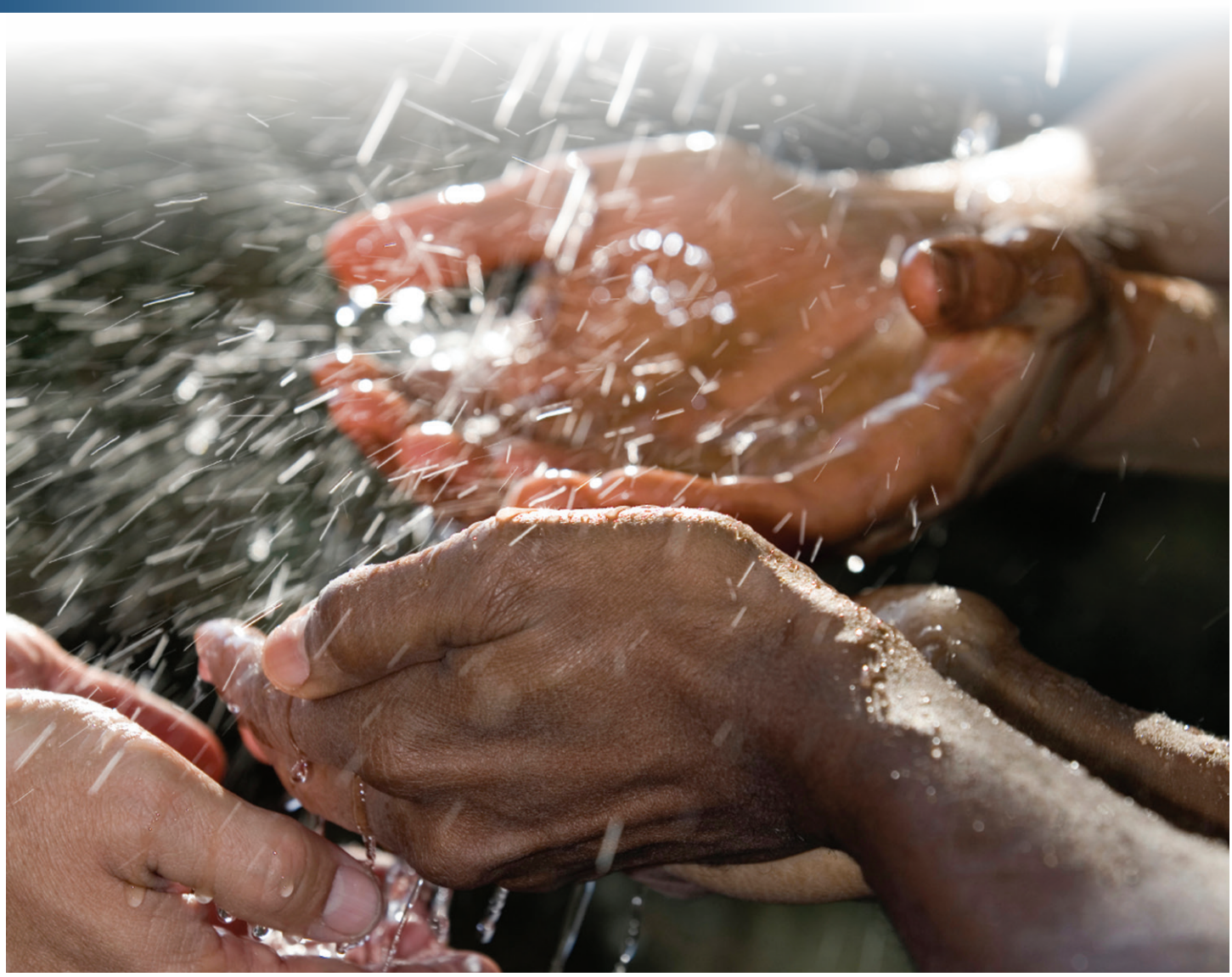
+ Water treatment provided by Hillsborough County, Florida

++ Wastewater treatment provided by City of New Port Richey (0.700 MGD)

+++ (2) WWTP's Lk Fairways (0.30 MGD) & Del Prado (4.25 MGD)

++++ Seven Springs Mithcell WTP design capacity (2.90 MGD) does not include Aloha Gardens

TAB 4
Other Reports



James Moore
Certified Public Accountants and Consultants

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

To the Board of Directors,
Florida Governmental Utility Authority:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and each major fund of Florida Governmental Utility Authority (the Authority) as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 10, 2017.

Internal Control over Financial Reporting

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

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

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

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/252-0209
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Member of AGN International with offices in principal cities worldwide

Compliance and Other Matters

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

Purpose of this Report

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

James Moore & Co., P.L.

Daytona Beach, Florida
March 10 , 2017