COMPREHENSIVE

Annual Financial Report

Florida Governmental Utility Authority

For the Fiscal Year Ended

September 30th

2019

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FLORIDA
GOVERNMENTAL
UTILITY AUTHORITY

FLORIDA GOVERNMENTAL UTILITY AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

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, 2019

TABLE OF CONTENTS

	Page Number(s)
INTRODUCTORY SECTION	
Letter of Transmittal	1 – 23
Certificate of Achievement for Excellence in Financial Reporting	25
Organization Chart	26
List of Principal Officials	27
FINANCIAL SECTION	
Independent Auditors' Report	29 – 30
Management's Discussion and Analysis	31 – 46
Basic Financial Statements	
Statement of Net Position	48 – 49
Statement of Revenues, Expenditures, and Changes in Net Position	50 – 51
Statement of Cash Flows	52 – 53
Notes to Financial Statements	55 – 72
STATISTICAL SECTION	
Net Position by Component	74
Changes in Net Position	75
Summary of Ten Largest Single Water Users	76
Ratios of Outstanding Debt by Fund Type	77
Pledged Revenue Coverage	78 – 79
Demographic and Economic Statistics	80 – 81
Principal Employers	82
Operating Indicators by Function	83
Capital Asset Statistics by Function	84 – 85
SINGLE AUDIT AND 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*	87 – 88
Schedule of Expenditures of Federal Awards and State Financial Assistance	89
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance	90 – 91
Schedule of Findings and Questioned Costs	92 – 93
Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance in Accordance with the Uniform Guidance and Chapter 10.650, Rules of the Auditor General	94 – 95

TAB 1

Introductory Section

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280 Wekiva Springs Rd., Ste 2070
Longwood, FL 32779-6026

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February 27, 2020

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, 2019 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, 2019, 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 unmodified ("clean") opinion that the Florida Governmental Utility Authority's financial statements for the Fiscal Year ended September 30, 2019, 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 various local governments located in the State of Florida. The table below outlines the original member governments as well as the changes and current status of other member governments throughout the years as follows:

Local Government	Notes	Status	Year Joined	Year Terminated
Brevard County	[a]	Terminated member	1999	2000
Citrus County		Current member	2003	
Collier County		Terminated member	1999	2018
Desoto County		Terminated member	2009	2015
Hendry County		Current member	2008	
Lee County	[a]	Current member	1999	
Marion County		Current member	2013	
Nassau County		Terminated member	1999	2003
Osceola County		Terminated member	2003	2009
Pasco County		Current member	2008	
Polk County	[a]	Current member	1999	
Sarasota County	[a]	Terminated member	1999	2002
Town of Dundee		Terminated member	2007	2008

[a] Original establishment member governments

PURPOSE OF THE GOVERNMENT

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. Authority membership is not a prerequisite to the acquisition of property within any particular jurisdiction. As of September 30, 2019, the FGUA managed and operated 90 water systems and 36 wastewater systems located in thirteen counties in Florida. These systems are accounted for in ten separate enterprise funds, each with their own revenue bonds.

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 Services Corporation.

OPERATIONAL ACTIVITY OF THE GOVERNMENT

The FGUA began its operational and fiscal activities on the date of acquisition of five water and wastewater systems on April 15, 1999. The table below outlines the utility systems acquired by year and in certain utility systems, the year the system was successfully transferred back to the host government or other established authority as follows:

Utility System	Year Acquired	Year Transferred	County/Authority Transferred To
Barefoot Bay	1999	2000	Brevard
Carrollwood	1999	2004	Hillsborough
Golden Gate	1999	2018	Collier
Poinciana	1999	2007	Tohopekaliga Water Authority
Sarasota	1999	2002	Sarasota
Citrus County	2003	2007	Citrus
Lehigh Acres	2003		
Aloha Utilities (Aloha Gardens & Seven Springs)	2009		
Consolidated	2009		
Lindrick	2010		
North Ft. Myers	2010		
MacDill AFB	2010		
Mad Hatter/Paradise Lakes	2012		
Lake Aqua	2013		
Pasco Aqua	2013		
Unified Aqua	2013		
City of Dunnellon	2018		

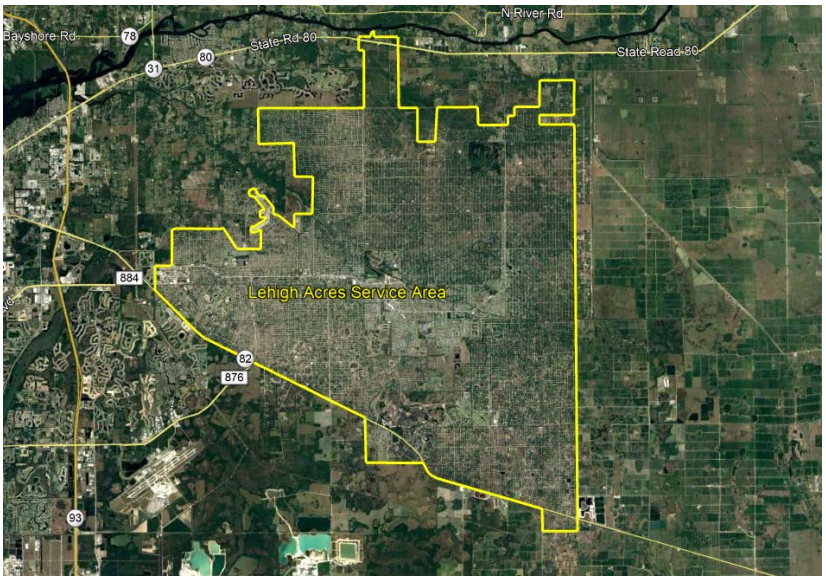
As of September 30, 2019, the FGUA consisted of 126 water and wastewater systems located in thirteen counties in Florida. The systems are grouped into ten enterprise funds, primarily on a geographic basis. There is also a Non-System Specific enterprise fund for the other minor contractual services provided by the FGUA.

BACKGROUND INFORMATION ON ENTERPRISE FUNDS

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. 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.



WATER SYSTEM

The Lehigh Acres water system consists one (1) 3.10 MGD water treatment plant (WTP), thirteen (13) production wells, two (2) booster stations, and an interconnect with the city of Fort Myers which allows for up to 2.0 MG peak daily flow.

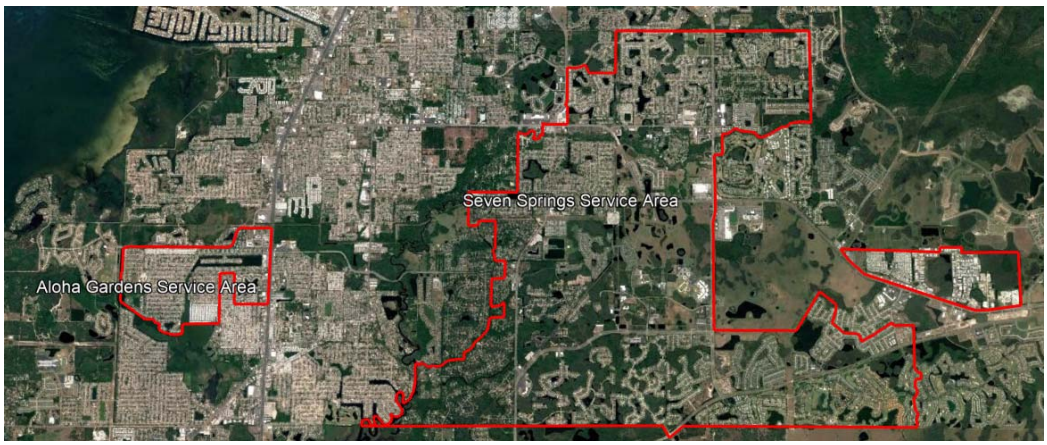
WASTEWATER SYSTEM

The Lehigh Acres wastewater system consists of one (1) wastewater treatment plant (WWTP) with a permitted capacity of 2.76 MGD AADF, a deep injection well (DIW) with a permitted disposal capacity of 18.6 MGD, collection and transmission mains, and lift stations. The system provides reclaimed water to two (2) major users (golf courses) and is permitted for 1.28 MGD AADF.

PASCO UTILITY SYSTEM

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.



WATER SYSTEM

Aloha Gardens - The Aloha Gardens water system consists of one (1) production well with a permitted withdrawal limit of 0.123 MGD AADF, associated disinfection system, and a hydro tank. The Aloha Gardens system purchases additional water from Pasco County through three (3) interconnects.

Seven Springs - The Seven Springs water system consists of one (1) centralized WTP with a permitted treatment capacity of 2.90 MGD and includes seven (7) production wells. The Seven Springs water system is also interconnected with Pasco County and is required to purchase all water beyond its Water Use Permit limit of 2.289 MGD AADF.

WASTEWATER SYSTEM

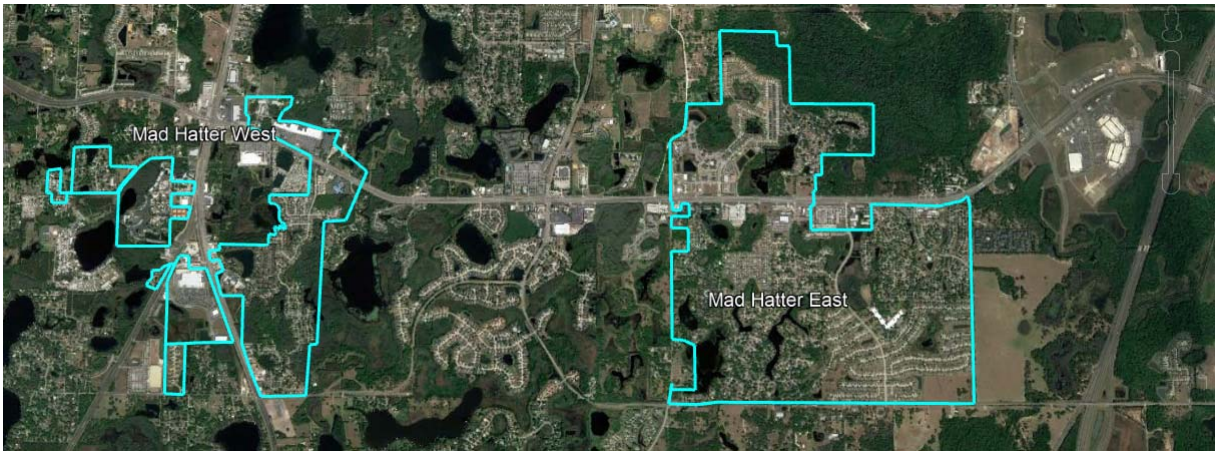
Aloha Gardens **-** The Aloha Gardens wastewater system consists of twelve (12) lift stations and the associated collection and transmission system. All wastewater from the Aloha Gardens service area is sent to Pasco County for treatment and disposal through a bulk service agreement.

Seven Springs - The Seven Springs wastewater system consists of one (1) wastewater treatment plant with a permitted capacity of is a 2.9 MGD AADF, and sixty-eight (68) lift stations. The system provides reclaimed water to residential and commercial customers and is permitted for 3.089 MGD AADF.

CONSOLIDATED UTILITY SYSTEM

SERVICE AREA

The Consolidated Utility System is comprised of ten (10) small service areas: Anclote, Angus Valley, Colonial Manor, Dixie Groves, Virginia City, Westwood, Mad Hatter East (Carpenters Run, Turtle Lakes, and Twin Palms), Mad Hatter West (Foxwood Lakes and Cypress Cove), Linda Lakes and Paradise Lakes. These systems are geographically spread throughout Hillsborough County, Pasco County and Pinellas County and collectively make up the Consolidated Utility System.



WATER SYSTEM

The Consolidated water system consists of ten (10) separate small water systems. Eight (8) of these systems (Angus Valley, Dixie Groves, Virginia City, Westwood, Mad Hatter East, Mad Hatter West, Linda Lakes, and Paradise Lakes) have small WTPs with permitted withdrawal limits ranging from 0.029 MGD AADF (Westwood) to 1.00 MGD AADF (Mad Hatter East/West). The water systems generally consist of one (1) or two (2) production wells, associated disinfection systems, and small hydro tanks. Two (2) of the water systems (Anclote and Colonial Manor) are interconnected with neighboring utilities and all water is purchased. A complete listing of these facilities and associated capacities is shown on Table 1.

WASTEWATER SYSTEM

The Consolidated wastewater system consist of one (1) WWTP with a permitted capacity of 0.020 MGD TMRADF, collection and transmission mains and lift stations. The WWTP only serves the Linda Lakes community and all other wastewater from the Mad Hatter East, Mad Hatter West and Paradise Lakes wastewater systems are sent to Pasco County via an interconnect for treatment and disposal.

Anclote, Angus Valley, Colonial Manor, Dixie Groves, Virginia City and Westwood are water only systems and have no wastewater facilities.

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, extending from Trouble Creek Road to Green Key Road, which includes the Shamrock Height Subdivision.

WATER SYSTEM

The Lindrick water system consists of six (6) production wells (No. 2, 3, 4, 5, 6, 8) with a combined permitted withdrawal limit of 870,000 GPD AADF. Wells No. 1 and 7 are currently out of service. Water from all wells is conveyed to a centralized WTP located at the Well No. 1 site. This centralized WTP has a design capacity of 1.944 MGD. There are also two (2) emergency bulk water interconnects with the city of New Port Richey which are available to supplement water supply when needed.

WASTEWATER SYSTEM

The Lindrick wastewater collection system consists of approximately 482 manholes, 137,500 feet of gravity sewer and eighteen (18) lift stations. All wastewater is sent to the city of New Port Richey WWTP for treatment and disposal under a Bulk Wastewater Treatment Agreement. The current agreement is in effect until July 1, 2021 and allows up to 700,000 gallons per day of treatment capacity.

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.

WATER SYSTEM

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, the transmission/distribution system, along with associated pumps, valves and appurtenances. The water system is well designed with multiple supply points, effective system looping, and sufficient storage capacity.

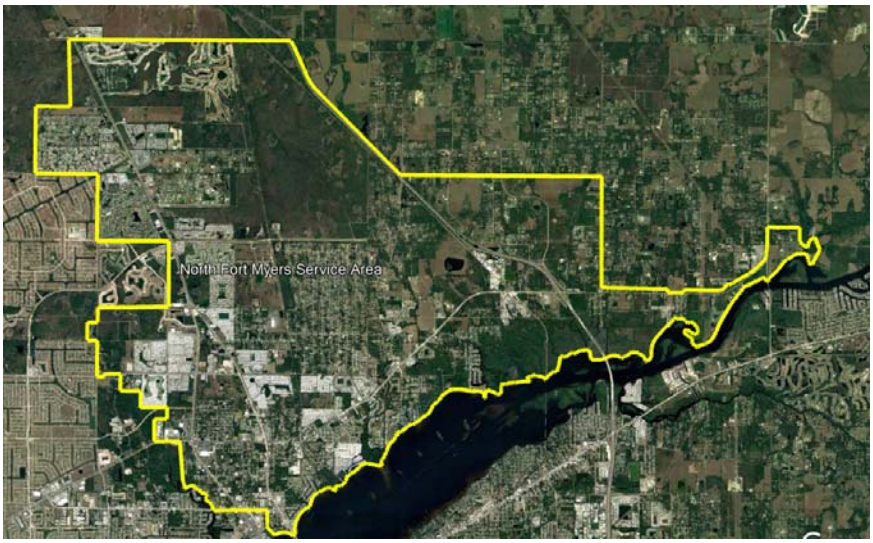
WASTEWATER SYSTEM

The MacDill AFB wastewater system consists of one (1) wastewater treatment plant (WWTP) with a permitted capacity 1.20 MGD AADF, collection and transmission mains, lift stations, an effluent disposal system and a biosolids disposal system. The system provides reclaimed water to two (2) major users (golf courses) located at the AFB.

NORTH FORT MYERS UTILITY SYSTEM

SERVICE AREA

The North Fort Myers service area is located immediately north of Caloosahatchee River in Lee County, mainly between Interstate 75 and US 41. The service area occupies approximately 39 square miles and is comprised of single family and multi-family residential, light commercial, and undeveloped properties. The North Fort Myers service area is mainly a wastewater system due to the fact that Lee County serves potable water to a large portion of the North Fort Myers service area but FGUA does supply water to two small water systems (Pine Lakes and Lake Fairways).



WATER SYSTEM

The water system consists of two (2) small separate systems: Pine Lakes and Lake Fairways. The Pine Lakes water system is supplied by Lee County through an interconnect. The Lake Fairways water system consists of two (2) production wells with a permitted withdrawal limit of 37 MG annually (0.101 MGD). Raw water from the wells is conveyed to a centralized WTP located inside the community. Both Pine Lakes and Lake Fairways systems are built out with no future development expected.

WASTEWATER SYSTEM

The North Fort Myers system is served by two (2) separate collection and treatment facilities, the Del Prado WWTP and the Lake Fairways WWTP.

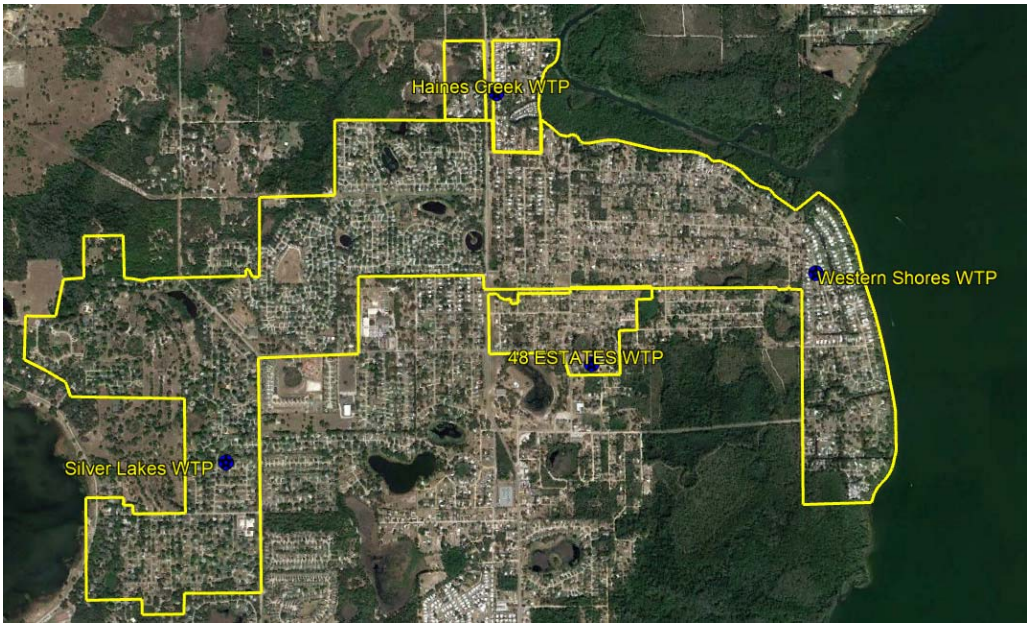
Del Prado - The Del Prado wastewater system consist of one (1) WWTP with a permitted capacity of 4.25 MGD AADF, a deep injection well (DIW) with a permitted disposal capacity of 4.87 MGD maximum daily flow, collection and transmission mains, and lift stations. The system provides reclaimed water to seven (7) major users (golf courses, and landscape irrigation for developments) and is permitted for 5.251 MGD AADF.

Lake Fairways - The Lake Fairways wastewater system consists of one (1) WWTP with a permitted capacity of 0.300 MGD AADF, collection and transmission mains, and lift stations. The system provides reclaimed water to one (1) major user (Pine Lakes golf course).

LAKE AQUA UTILITY SYSTEM

SERVICE AREA

FGUA currently owns and operates twenty-five (25) water systems and eight (8) wastewater systems in Lake County, Florida. These systems are geographically scattered across Lake County and collectively make up the Lake Aqua Utility System. The largest contiguous Lake Aqua Utility System service area is shown below.



WATER SYSTEM

The Lake Aqua water system consist of approximately twenty-five (25) separate water systems and associated WTPs. Most of the water systems are relatively small, with sixteen (16) systems serving 200 connections or less, eight (8) systems serving 200 to 500 connections, and the largest system in the group (Silver Lake Estates) serving approximately 1,100 connections. The water systems generally consist of one (1) or two (2) production wells, associated disinfection systems, and small hydro tanks. Most 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). A complete listing of these facilities and associated capacities is shown on Table 1.

WASTEWATER SYSTEM

The Lake Aqua wastewater system consists of eight (8) separate wastewater systems, seven (7) wastewater treatment plants (WWTPs) which range in permitted capacity from 0.020 MGD AADF (Morningview) to 0.080 MGD AADF (Valencia Terrace), collection and transmission mains, and lift stations. Effluent disposal at the facilities generally consists of rapid infiltration basins or permitted reuse facilities using sprayfields. A complete listing of these facilities and associated capacities is shown on Table 2.

PASCO AQUA UTILITY SYSTEM

SERVICE AREA

The Pasco Aqua service area is comprised of three (3) separate service areas: Jasmine Lakes, Palm Terrace and Zephyr Shores (not shown below). These systems are geographically scattered across Pasco County and collectively make up the Pasco Aqua Utility System.

WATER SYSTEM

Jasmine Lakes - The Jasmine Lakes water system consists of four (4) production wells with a combined permitted withdrawal limit of 318,700 GPD AADF. Water from all wells is conveyed to a centralized WTP located at 7612 Pineapple Lane for treatment and subsequent distribution.

Palm Terrace - The Palm Terrace water system is a consecutive water system that purchases all of its water from Pasco County Utilities via an interconnect.

Zephyr Shoes - The Zephyr Shores water system consists of one (1) production well, associated disinfection system, and a small hydro tank. There is also an emergency bulk water interconnect with Pasco County which can supplement water supply when needed.

WASTEWATER SYSTEM

Jasmine Lakes - The Jasmine Lakes wastewater system consists of one (1) wastewater treatment plant (WWTP) with a permitted capacity of 0.370 MGD TMRADF, associated collection and transmission mains, and lift stations. The WWTP is limited to 0.308 MGD AADF due to limited effluent disposal.

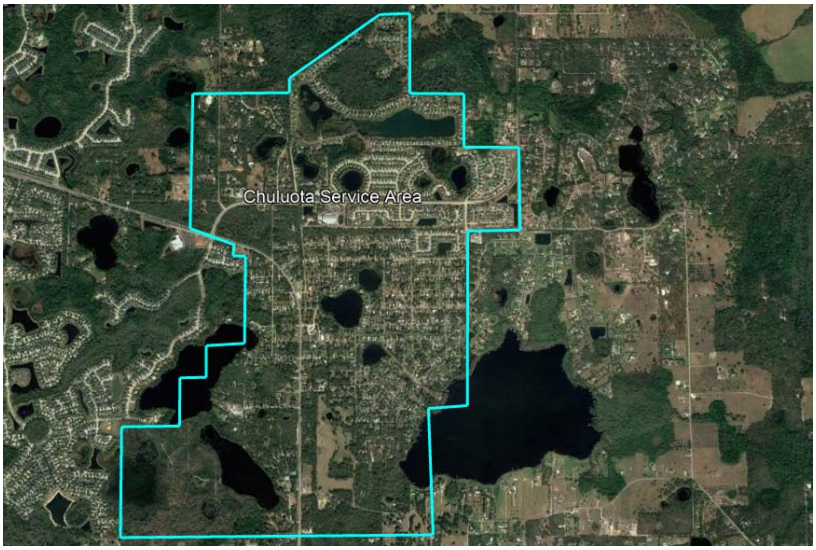
Palm Terrace - The Palm Terrace wastewater collection system consists of one (1) wastewater treatment plant with a permitted capacity of 0.130 MGD AADF, associated collection and transmission mains, and lift stations.

Zephyr Shores - The Zephyr Shores wastewater system consists of collection and transmission mains and lift stations. All wastewater is conveyed to Pasco County via an interconnect for treatment and disposal.

UNIFIED AQUA UTILITY SYSTEM

SERVICE AREA

FGUA currently owns and operates forty-four (44) water systems and thirteen (13) wastewater systems located throughout various Florida counties including: Alachua, Citrus, Hardee, Lee, Marion, Orange, Polk, Putnam, Seminole, and Volusia Counties. These systems are geographically spread throughout Florida and collectively make up the Unified Aqua Utility System. Chuluota, shown below, is the largest single service area in the Unified Aqua Utility System.



WATER SYSTEM

The Unified Aqua water system consists of forty-four (44) separate water systems. Permitted capacities for the water systems range from a minimum of 21,096 gpd (Palm Port) to a maximum of 540,000 gpd (Chuluota). Many 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 thirty-five (35) systems serving 200 connections or less, eight (8) serving between 200 and 850 connections, and the largest system in the group (Chuluota) serving approximately 1,500 connections. The water systems generally consist of one (1) or two (2) production wells, associated disinfection systems, and small hydro tanks. Most 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). A complete listing of these facilities and associated capacities is shown on Table 1.

WASTEWATER SYSTEM

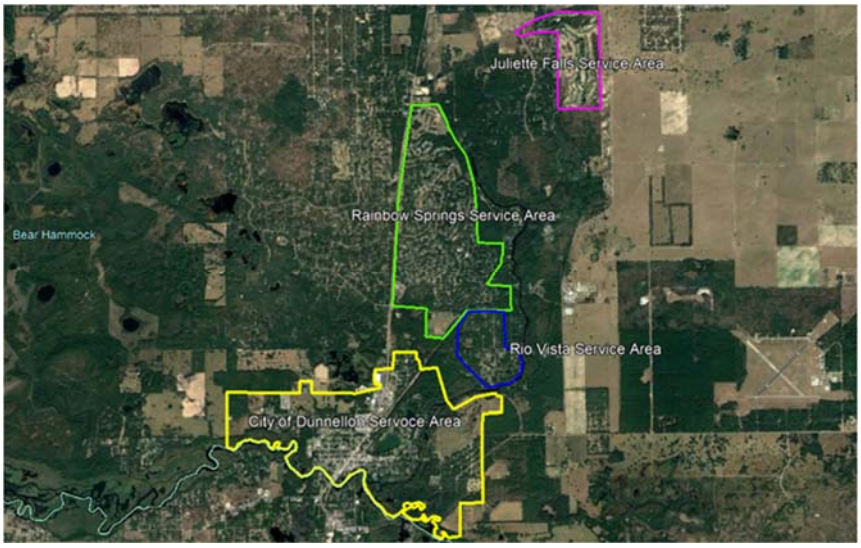
The Unified Aqua wastewater system consists of thirteen (13) separate wastewater systems, ten (10) wastewater treatment plants (WWTPs) which range in permitted capacity from 12,000 gpd (Silver Lake Oaks) to 264,000 gpd (South Seas), collection and transmission mains, and lift stations. Three (3) of the wastewater systems (Beecher's Point, Florida Central Commerce Park and Lake Gibson)

pump flows to neighboring utilities via interconnects for treatment and disposal. A complete listing of these facilities and associated capacities is shown on Table 2.

DUNNELLON UTILITY SYSTEM

SERVICE AREA

The Dunnellon service area is comprised of four (4) separate service areas: City of Dunnellon, Juliette Falls, Rainbow Springs and Rio Vista. These systems are geographically scattered across the Southwest region of Marion county and collectively make up the Dunnellon Utility System.



WATER SYSTEM

The Dunnellon water system consists of four (4) water systems: City of Dunnellon, Rainbow Springs and Rio Vista are combined under one (1) water user permit with a permitted withdrawal capacity of 1.117 MGD AADF, and Juliette Falls has its own water use permit with a permitted withdrawal capacity of 0.017 MGD AADF.

WASTEWATER SYSTEM

City of Dunnellon – The City of Dunnellon wastewater system consists of one (1) wastewater treatment plant (WWTP) with a permitted capacity of 0.335 MGD AADF, associated collection and transmission mains, and lift stations.

Juliette Falls – The Juliette Falls wastewater system consists of one (1) wastewater treatment plant (WWTP) with a permitted capacity of 0.100 MGD TMRADF, associated collection and transmission mains, and lift stations. Currently all wastewater generated by the Juliette Falls wastewater system is hauled to the City of Dunnellon WWTP for treatment.

Rainbow Springs – The Rainbow Springs wastewater system consists of one (1) wastewater treatment plant with a permitted capacity of 0.230 MGD TMRADF, associated collection and transmission mains, and lift stations.

Rio Vista – The Rio Vista wastewater system consists of collection and transmission mains, and lift stations. All wastewater generated by the Rio Vista wastewater system is treated at the Rainbow Springs WWTP.

TABLE 1 - WATER SYSTEMS

System	Subsystem	Notes on Permitted Capacity	Permitted Capacity (MGD)
Consolidated	Anclote	Purchased Water (Interconnect)	N/A
Consolidated	Angus Valley	WUP Limit	0.145
Consolidated	Colonial Manor	Purchased Water (Interconnect)	N/A
Consolidated	Dixie Groves	WUP Limit	0.054
Consolidated	Linda Lakes	No WUP	N/A
Consolidated	Mad Hatter	WUP Limit	1.000
Consolidated	Paradise Lakes	WUP Limit	0.077
Consolidated	Virginia City	WUP Limit	0.083
Consolidated	Westwood	WUP Limit	0.029
Dunnellon	City of Dunnellon & Rainbow Springs & Rio Vista	WUP Limit	1.117
Dunnellon	Juliette Falls	WUP Limit	0.017
Lake Aqua	48 Estates	Plant Design Capacity	0.057
Lake Aqua	Carlton Village	WUP Limit	0.118
Lake Aqua	East Lake Harris Est.	WUP Limit	0.033
Lake Aqua	Fairways at Mt. Plymouth	WUP Limit	0.232
Lake Aqua	Fern Terrace	WUP Limit	0.048
Lake Aqua	Friendly Center	(Interconnect with East Lk Harris)	N/A
Lake Aqua	Grand Terrace	WUP Limit	0.041
Lake Aqua	Haines Creek	WUP Limit	0.006
Lake Aqua	Hobby Hills	WUP Limit	0.027
Lake Aqua	Holiday Haven	Interconnect	N/A

Lake Aqua	Imperial Terrace	WUP Limit	0.030
Lake Aqua	King's Cove	WUP Limit	0.136
Lake Aqua	Morningview	WUP Limit	0.013
Lake Aqua	Palms MHP	WUP Limit	0.022
Lake Aqua	Picciola	WUP Limit	0.052
Lake Aqua	Piney Woods & Spring Lk Manor	WUP Limit	0.066
Lake Aqua	Quail Ridge	WUP Limit	0.027
Lake Aqua	Ravenswood	WUP Limit	0.017
Lake Aqua	Silver Lake Estates	WUP Limit	0.629
Lake Aqua	Skycrest	WUP Limit	0.028
Lake Aqua	Stone Mountain	WUP Limit	0.014
Lake Aqua	Summit Chase	WUP Limit	0.058
Lake Aqua	Valencia Terrace	WUP Limit	0.117
Lake Aqua	Venetian Village	WUP Limit	0.048
Lake Aqua	Western Shores	Interconnect w/ Silver Lakes Estates	N/A
Lehigh Acres	Lehigh Acres	Plant Design Capacity	3.100
Lindrick	Lindrick	WUP Limit	0.870
Lindrick	Lindrick	Plant Design Capacity	1.944
MacDill AFB	MacDill AFB	Interconnect w/ CTWD	N/A
North Fort Myers	Lake Fairways	WUP limit	0.101
North Fort Myers	Lake Fairways	Plant Design Capacity	0.200
Pasco	Aloha Gardens	WUP Limit	0.123
Pasco	Aloha Gardens	Purchased Water (Interconnect)	N/A
Pasco	Seven Springs	WUP Limit	2.289
Pasco	Seven Springs	Purchased Water (Interconnect)	N/A
Pasco Aqua	Jasmine Lakes	WUP Limit	0.318

Pasco Aqua	Palm Terrace	Interconnect	N/A
Pasco Aqua	Zephyr Shores	WUP Limit	0.036
Unified Aqua	Arredondo Estates	WUP Limit	0.068
Unified Aqua	Beecher's Point	Interconnect w/ town Welaka	0.025
Unified Aqua	Belleair	Plant Design Capacity (No WUP)	N/A
Unified Aqua	Belleview Hills & JA	Interconnect	N/A
Unified Aqua	Belleview Hills Est.	WUP Limit	0.092
Unified Aqua	Breeze Hill	WUP Limit	0.054
Unified Aqua	Castle Lake	Plant Design Capacity (No WUP)	0.167
Unified Aqua	Chappell Hills	Plant Design Capacity (No WUP)	0.065
Unified Aqua	Chuluota	WUP Limit	0.540
Unified Aqua	Fairfax Hills	Plant Design Capacity (No WUP)	0.100
Unified Aqua	Gibsonia	WUP Limit	0.075
Unified Aqua	Harmony Homes	WUP Limit	0.021
Unified Aqua	Hawk's Point	WUP Limit	0.042
Unified Aqua	Hermit's Cove/St. John's Highlands	Plant Design Capacity (No WUP)	0.130
Unified Aqua	Interlachen/P.M.	WUP Limit	0.049
Unified Aqua	Jungle Den	Interconnect	N/A
Unified Aqua	Kenwood North	Plant Design Capacity (No WUP)	0.115
Unified Aqua	Lake Gibson	WUP Limit	0.243
Unified Aqua	Marion Hills	Plant Design Capacity (No WUP)	0.036
Unified Aqua	Meadows, The	Plant Design Capacity (No WUP)	0.160
Unified Aqua	Ocala Oaks & 49th St.	WUP Limit	0.194
Unified Aqua	Orange Hill & Sugar Creek	WUP Limit	0.071
Unified Aqua	Palm Port	WUP Limit	0.021
Unified Aqua	Peace River	Plant Design Capacity (No WUP)	0.129

Unified Aqua	Pine Valley	Plant Design Capacity (No WUP)	0.044
Unified Aqua	Pomona Park	Plant Design Capacity (No WUP)	0.170
Unified Aqua	Ridge Meadows	Plant Design Capacity (No WUP)	0.130
Unified Aqua	River Grove	Interconnect	0.030
Unified Aqua	Rosalie Oaks	Plant Design Capacity (No WUP)	0.125
Unified Aqua	Saratoga Harbor	Plant Design Capacity (No WUP)	0.158
Unified Aqua	Silver Lake Oaks	Plant Design Capacity (No WUP)	0.032
Unified Aqua	Tangerine	WUP Limit	0.127
Unified Aqua	Tomoka View	WUP Limit	0.053
Unified Aqua	Twin Rivers	WUP Limit	0.022
Unified Aqua	Village Water	Interconnect	N/A
Unified Aqua	Welaka	Plant Design Capacity (No WUP)	0.086
Unified Aqua	West Citrus	Plant Design Capacity (No WUP)	0.072
Unified Aqua	West View	Plant Design Capacity (No WUP)	0.050
Unified Aqua	Woodberry Forest	Interconnect	N/A
Unified Aqua	Wootens	Plant Design Capacity (No WUP)	0.036

TABLE 2 - WASTEWATER SYSTEMS

System	Subsystem	Permitted Capacity (MGD) AADF	Permitted Capacity TMADF	Capacity Notes
Consolidated	Linda Lakes	N/A	0.020	TMADF
Dunnellon	City of Dunnellon	0.335	N/A	AADF
Dunnellon	Juliette Falls	N/A	0.100	TMADF
Dunnellon	Rainbow Springs	N/A	0.230	TMADF
Lake Aqua	Fairways at Mt. Plymouth	0.075	N/A	AADF
Lake Aqua	Holiday Haven	0.025	N/A	AADF
Lake Aqua	King's Cove	0.055	N/A	AADF
Lake Aqua	Morningview	0.020	N/A	AADF
Lake Aqua	Summit Chase	0.054	N/A	AADF
Lake Aqua	Valencia Terrace	0.080	N/A	AADF
Lake Aqua	Venetian Village	0.036	N/A	AADF
Lehigh Acres	Lehigh Acres	2.760	N/A	AADF
Lindrick	Lindrick	0.700	N/A	BULK AGREEMENT
MacDill AFB	MacDill AFB	1.200	N/A	AADF
North Fort Myers	Del Prado	4.250	4.800	AADF
North Fort Myers	Lake Fairways	0.300	N/A	AADF
Pasco	Aloha Gardens	N/A	N/A	BULK AGREEMENT
Pasco	Seven Springs	2.900	N/A	AADF
Pasco Aqua	Jasmine Lakes	0.308	0.370	AADF
Pasco Aqua	Palm Terrace	0.130	N/A	AADF
Pasco Aqua	Zephyr Shores	N/A	N/A	BULK AGREEMENT

Unified Aqua	Beecher's Point	0.014	N/A	BULK AGREEMENT
Unified Aqua	Breeze Hill	N/A	0.040	TMADF
Unified Aqua	Chuluota	0.150	N/A	AADF
Unified Aqua	Fl. Cent. Comm. Pk.	N/A	N/A	BULK AGREEMENT
Unified Aqua	Jungle Den	0.021	N/A	AADF
Unified Aqua	Lake Gibson	N/A	N/A	BULK AGREEMENT
Unified Aqua	Palm Port	0.030	N/A	AADF
Unified Aqua	Park Manor	0.015	N/A	AADF
Unified Aqua	Peace River	N/A	0.040	TMADF
Unified Aqua	Rosalie Oaks	N/A	0.040	TMADF
Unified Aqua	Silver Lake Oaks	0.012	N/A	AADF
Unified Aqua	South Seas	0.264	N/A	AADF
Unified Aqua	Village Water	0.045	0.075	AADF

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 Utility System and the North Fort Myers Utility 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 in 2007. 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 713,903 in 2018, an increase of 15.4%. The number of housing units permitted in Lee County increased from a six-year average beginning in 2012 of 2,043 to 9,721 in 2018. The unemployment rate continued to decline from the peak of 12.5% in 2010 to 3.4% in 2018. Recent foreclosure information suggests that the housing market continues to improve. Personal bankruptcy filings slightly worsened from 1.51 per 1,000 of population in 2018 to 1.70 per 1,000 of population as of September 30, 2019. The two Lee County systems have a significant amount of undeveloped land for future growth and expansion.

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 was anticipated to increase from 464,697 in 2010 to 515,077 in 2018, an increase of 10.8%. The number of housing units permitted in Pasco County increased from a six-year average beginning in 2012 of 1,401 to 3,830 in 2018. The unemployment rate continued to decline from the peak of 11.9% in 2010 to 3.8% in 2018. Personal bankruptcy filings slightly worsened from 2.16 per 1,000 of population in 2018 to 2.39 per 1,000 of population as of September 30, 2019. 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 was anticipated to increase from 297,047 in 2010 to 342,917 in 2018, an increase of 15.4%. The number of housing units permitted in Lake County increased from a six-year average beginning in 2012 of 942 to 3,330 in 2018. The unemployment rate continued to decline from the peak of 11.8% in 2010 to 3.5% in 2018. Personal bankruptcy filings slightly worsened from 2.30 per 1,000 of population in 2018 to 2.37 per 1,000 of population as of September 30, 2019.

The Unified Aqua Utility System is spread throughout 10 different Florida Counties. The 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 annually by 338,521 from 2018 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 11.1% in 2010 to 3.6% as of December 2018.

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 meeting 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 2020 to 2024, 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 2020 is approximately $35 million and is estimated to total $109 million for the fiscal years 2020 – 2024. 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 use 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 a certain number of meters each year. Most residential meters are replaced at ten years of age. Larger meters need to be replaced more frequently.

Large Capital 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.

The MD&A describes the major changes in capital asset balances. Note 6 shows the increases and decreases for the FGUA in a summarized format. The adopted budget has details of the large capital projects for each enterprise fund and can be found at: https://www.fgua.com/about-us/finance/budgets/budget-documents/

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 seventeenth 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, 2018. 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

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

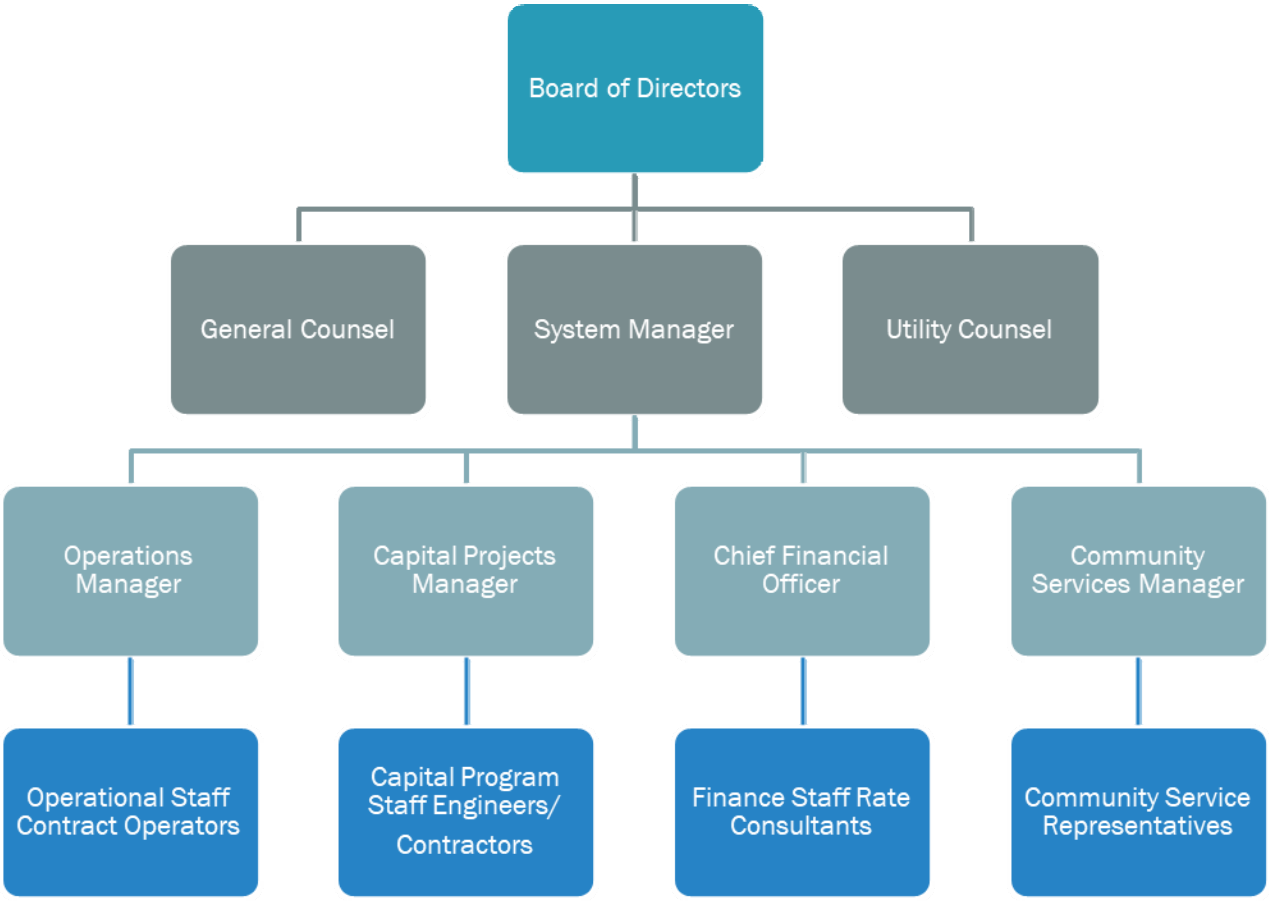
Florida Governmental Utility Authority

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrill

Executive Director/CEO


Board of Directors
General Counsel
System Manager
Utility Counsel
Operations Manager
Capital Projects Manager
Chief Financial Officer
Community Services Manager
Operational Staff Contract Operators
Capital Program Staff Engineers/ Contractors
Finance Staff Rate Consultants
Community Service Representatives

List of Principal Officials

Board Members

Name	Local Government	Title
Lea Ann Thomas, Chair	Polk County	Deputy County Manager
Tamara Richardson (Alternate)	Polk County	Director of Utilities Department
James Cheek, P.E., Vice Chair	Citrus County	Director of Water Resources Department
Christina Malmberg (Alternate)	Citrus County	Director of Utility Planning and Engineering Division
Michael Carballa, P.E., BCEE	Pasco County	Assistant County Administrator of Public Infrastructure
Robert G. Marin (Alternate)	Pasco County	Director of Utilities Department
Christine Brady	Lee County	Assistant County Manager
Pam Keyes, P.E. (Alternate)	Lee County	Director of Public Utilities
Shane Parker, P.E., Vice Chair	Hendry County	County Engineer
Angel Roussel, P.E.	Marion County	Assistant County Administrator
Bob Titterington, P.E. (Alternate)	Marion County	Utilities Engineering Manager

Systems Manager

Government Services Group, Inc.
Stephen Spratt, Senior 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

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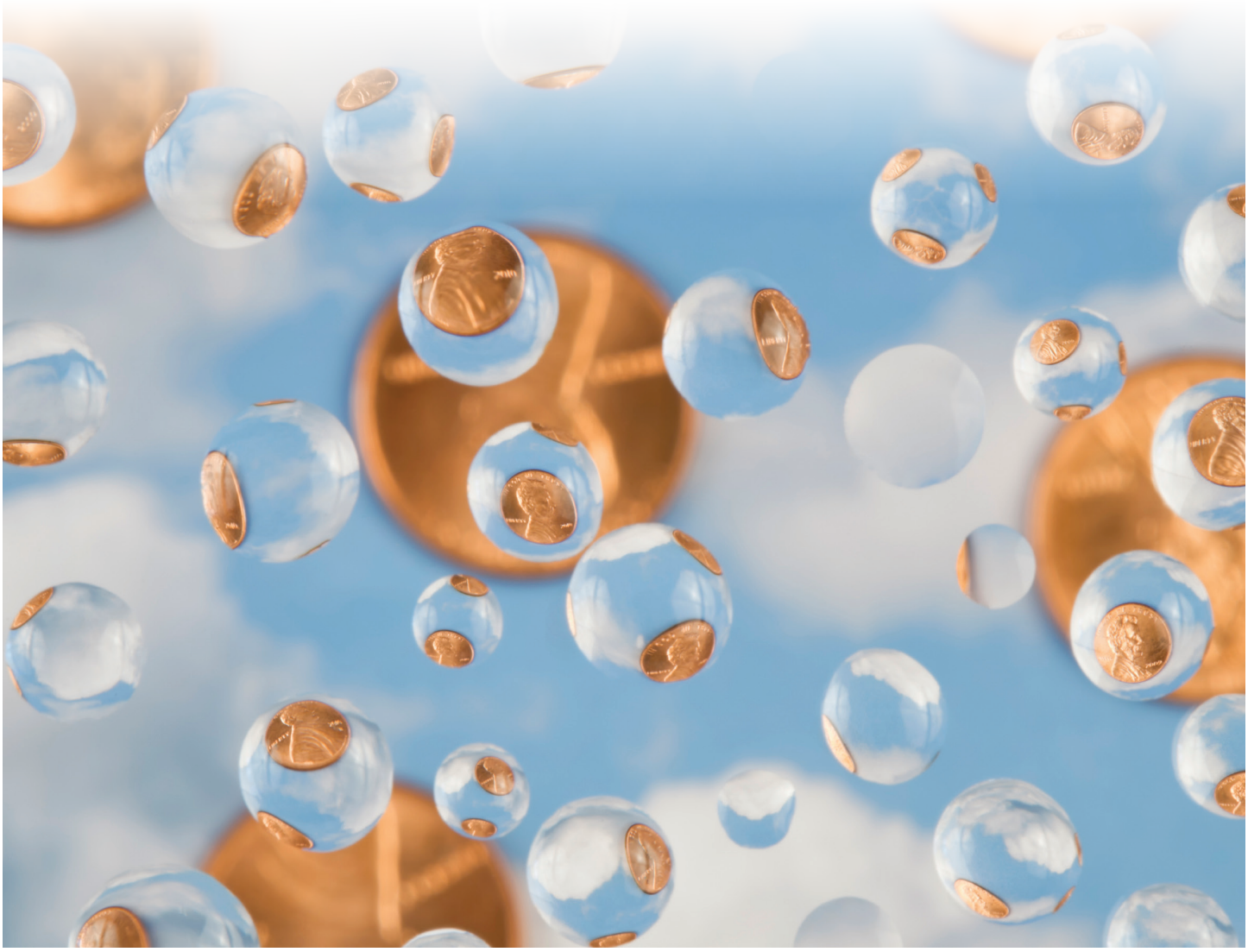
TAB 2

Financial Section



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, 2019, 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.

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, 2019, 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 accompanying introductory section, statistical section, and schedule of expenditures of federal awards and state financial assistance as required by Title 2 U.S. Code of Federal Regulations (CFR), Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and by Section 215.97, Florida Statutes, *Florida Single Audit Act*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures of federal awards and state financial assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory 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 February 27, 2020, 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
February 27, 2020

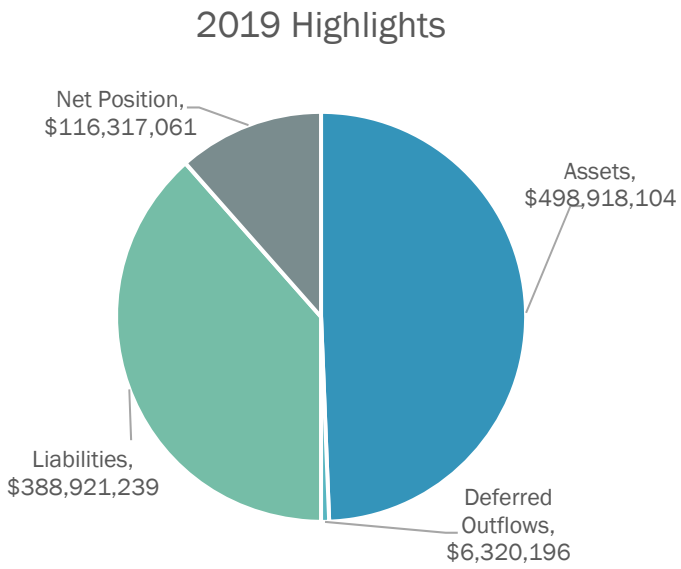
FINANCIAL

Florida Governmental Utility Authority Management's Discussion and Analysis

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, 2019. 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 2019 by $116,317,061 as the chart to the right indicates. Of this amount, $65,415,936 may be used to meet the FGUA's ongoing obligations to citizens and creditors (Unrestricted Net Position). This is an increase of $9,540,308 or 17% in unrestricted net position from the prior year. This increase is reflective of normal operations year-over-year, without the adverse effects of transitioning a system to a host government. The acquisition of the Dunnellon Utility System accounts for $2.1 million, or 22% of this increase.



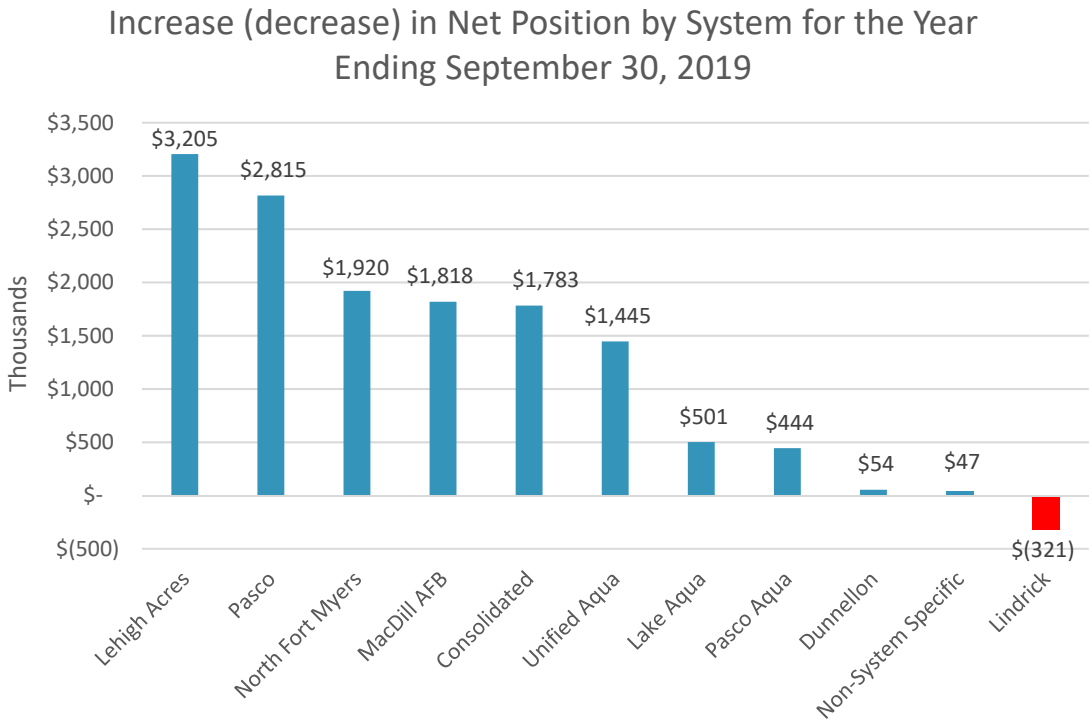
NET POSITION

The FGUA's total net position increased by $13.7 million in fiscal year 2019. As the chart on the next page indicates, the changes in net positions were as follows:

- The Lehigh Utility System contributed $3.2 million or 23.4% of the increase in total net position. There was an increase in the number of customers connected to both the water and wastewater systems. Lehigh also received a significant amount of FEMA reimbursement related to Hurricane Irma.
- The Pasco Utility System contributed $2.8 million or 20.53% of the increase in total net position. This increase is a combination of impact fees received related to Mitchell 54 development, FEMA reimbursement related to Hurricane Irma, and a consumer price index (CPI) rate increase.
- The Lake Aqua, Pasco Aqua, and Unified Aqua Utility Systems contributed a combined $2.4 million or 17.43% of the increase in total net position. This increase is primarily a result of a

consumer price index (CPI) rate increase along with an additional rate increase of 5% for Lake Aqua and Unified Aqua. Additionally, Lake Aqua and Unified Aqua received a significant amount of FEMA reimbursement related to Hurricane Irma.

- The North Fort Myers Utility System contributed $1.9 million or 14% of the increase in total net position. This increase came from non-operating income such as interest deposit, impact fees and additions to utility plant assets. Expenditures were also lower than in previous years due to fewer storm impacts.
- The MacDill AFB Utility System contributed $1.8 million or 13.3% of the increase in total net position, primarily due to capital grants.
- The Consolidated Utility System contributed $1.8 million or 13% of the increase in total net position. This increase came from non-operating income such as interest deposit, impact fees and additions to utility plant assets. Expenditures were also lower than in previous years due to fewer storm impacts.
- The Dunnellon Utility System contributed $53,690 or 0.39% of the increase in total net position, this represents the first 11 months of FGUA ownership of this system.
- The Lindrick Utility System decreased the total net position by -$321,318 or -2.34%. This system continues to experience the effects of a prior 10% rate decrease. The recent bond refunding also contributed non-recurring debt issuance costs of $377,350.
- 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 $47,157.

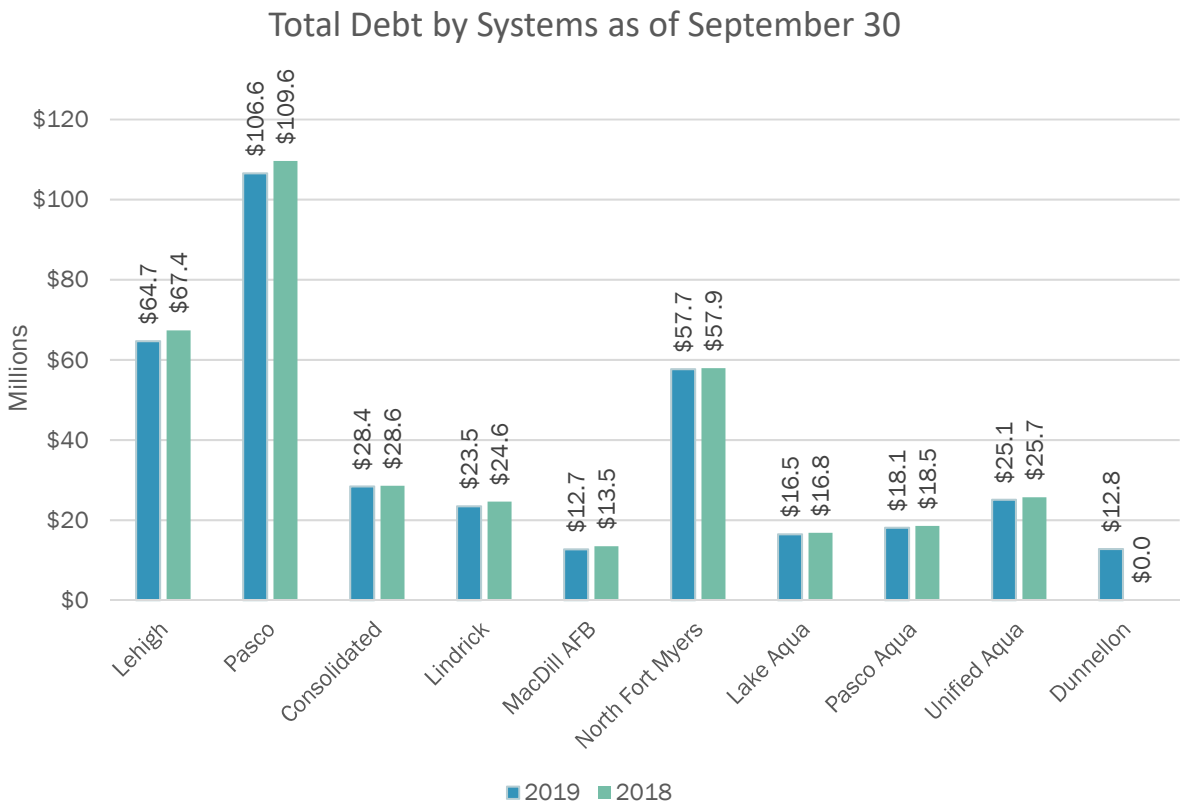


DEBT

The net increase in total debt as of September 30, 2019 was $3,359,852. As the chart below indicates, the Dunnellon Utility System contributed $12.8 million in new debt. North Fort Myers also contributed additional new debt in the amount of $986,619 with a construction loan from the State Revolving loan Fund (SRF) for wastewater system improvements. All other systems experienced decreases in debt due to normally scheduled debt service payments which largely offset the new debt added by Dunnellon and North Fort Myers.

To avoid potential future reductions of "Build America Bond" (BAB) subsidies, and with the recommendations from our Financial Advisor, we have advance refunded certain bonds to achieve debt service savings for the Lindrick Utility System in February 2019, the North Fort Myers Utility System in June 2019, and the Pasco Utility Systems BABs bonds in October 2019 to be completed in the first quarter of FY 2020. The debt service savings achieved will be realized in future years after beginning in FY2020.

More information can be found in Note 7 of the Financial Section.



OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Florida Governmental Utility Authority's (FGUA) basic financial statements. The FGUA is a special purpose government involved solely in the provision of water and wastewater services to customers on a fee basis. All funds are accounted for in Proprietary Funds, specifically, ten enterprise funds. 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.

OVERALL ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

NET POSITION

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 $116 million at the close of fiscal year 2019. See the condensed Statement of Net Position table on page 36.

In the past year, current assets decreased by $4.1 million, due to a transformation of current assets (i.e., cash) into long-term capital assets (i.e., utility plants).

Deferred Outflows increased by $4 million due to additional deferred losses on bond refunding for both the Lindrick and North Fort Myers Utility Systems.

Total liabilities increased by $2 million or 0.52%. This is due in large part to the new debt taken on as part of the Dunnellon Utility System acquisition. The reduction in liabilities to the remaining utility systems is from the normal progression of paying down debt as scheduled.

The increase in net position represents the degree to which revenues have exceeded expenses in the past year combined with the decrease in debt. The total change in net position of $13.7 million includes the acquisition of the Dunnellon Utility System. During fiscal year 2019 the total net position improved for the remaining utility systems except for the Lindrick Utility System.

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 balance of $14.8 million which is a $10.6 million improvement from the prior year balance of $4.2 million. The balance increased 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 $11.2 million, which is a decrease of $1.6 million. This is the balance in the Renewal and Replacement fund, the Water Capacity fund, the Wastewater Capacity fund, and other funds specifically restricted for capital projects, net of related accounts payable. These funds are restricted by board resolutions and by bond covenants to be used only for the purchase or construction of capital assets to renew and expand the utilities' assets. Restricted for capital projects decreased for the remaining utility systems as more restricted funds were used for construction projects.

Net Position Restricted for Debt Service ended the year with a balance of $24,936,798 which is a decrease of $4.8 million 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. Restricted for Debt Service decreased this year due to bond refunding for both Lindrick and North Fort Myers where debt service reserved funds were used to pay down the debt.

Net Position Unrestricted ended the year with a balance of $65,415,936 which is an increase of $9.5 million or 17% as compared to the prior year. Unrestricted funds may be budgeted for any future needs of the FGUA. The increase from FY 2018 to FY 2019 is due to the acquisition of Dunnellon, representing approximately 22% of the increase. Lindrick and North Fort Myers benefited from lower debt service costs due to their respective bond refunding. The remaining systems increased their unrestricted position from normal operations.

Condensed Statement of Net Position

	2019	2018
Current & Other Assets	$ 216,774,360	$ 220,860,967
Capital Assets	282,143,744	266,310,462
Assets	**498,918,104**	**487,171,429**
Deferred loss on bond refunding	6,320,196	2,332,314
Deferred Outflows	**6,320,196**	**2,332,314**
Assets & Deferred Outflows	**$ 505,238,300**	**$ 489,503,743**
Long Term Liabilities	$ 354,610,035	$ 352,664,707
Other Liabilities	34,311,204	34,232,097
Total Liabilities	**388,921,239**	**386,896,804**
Net Position		
Net investment in Capital Assets	14,760,597	4,177,852
Restricted for Capital Projects	11,203,730	12,841,441
Restricted for Debt Service	24,936,798	29,712,018
Unrestricted	65,415,936	55,875,628
Total Net Position	**$ 116,317,061**	**$ 102,606,939**

REVENUES AND EXPENSES

Operating revenues increased $460 thousand. The loss of half a year's revenue from Golden Gate Utility System was largely offset by the addition of the Dunnellon Utility System. Operating expenses increased $1.8 million. This increase is primarily due to the annual adjustments to the operating contracts.

For the fiscal year ending September 30, 2019, all the FGUA utility systems' net positions increased except for the Lindrick Utility System. The Lindrick Utility System is still experiencing the anticipated effects of a 10% rate decrease that went into effect at the beginning of fiscal year 2018. Despite the

resulting decrease in net position, the Lindrick Utility System continues to have a healthy fund balance.

The FGUA continues to maintain financially healthy systems. Excluding the $1.6 million for the Dunnellon Utility System, the unrestricted cash balance increased in the remaining systems by 14.6% from $55.2 million to $63.4 million during fiscal year 2019, showing financially healthy utility systems with good liquidity.

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2019	2018
Operating revenues		
Water and wastewater revenues	$ 79,668,592	$ 79,098,831
Other operating revenues	2,958,735	3,068,435
Operating expenses	(42,529,434)	(40,694,534)
Operating income before depreciation and amortization	40,097,893	41,472,732
Depreciation and amortization	(19,041,935)	(18,220,332)
Operating income	21,055,958	23,252,400
Non-Operating revenues (expenses)		
Investment revenue, net	1,918,149	1,437,547
Operating grants	1,184,293	75,304
Miscellaneous non-operating revenues	522,557	511,457
Interest expense, net	(15,055,753)	(15,818,164)
Loss on sale of utility System	-	(5,542,888)
Debt issuance cost	(1,680,973)	-
Income (loss) before capital contributions	7,944,231	3,915,656
Recoverable portion of purchase price (MacDill)	1,539,409	1,539,409
Capital contributions and grants	4,226,482	4,872,452
Change in net position	13,710,122	10,327,517
Total net position - beginning	102,606,939	92,279,422
Total net position - end of year	**$ 116,317,061**	**$ 102,606,939**

SIGNIFICANT CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

The fiscal year ending September 30, 2019, represents the twentieth full fiscal year of the FGUA's operations. Following are descriptions of significant capital asset and long-term activity.

CAPITAL ASSETS

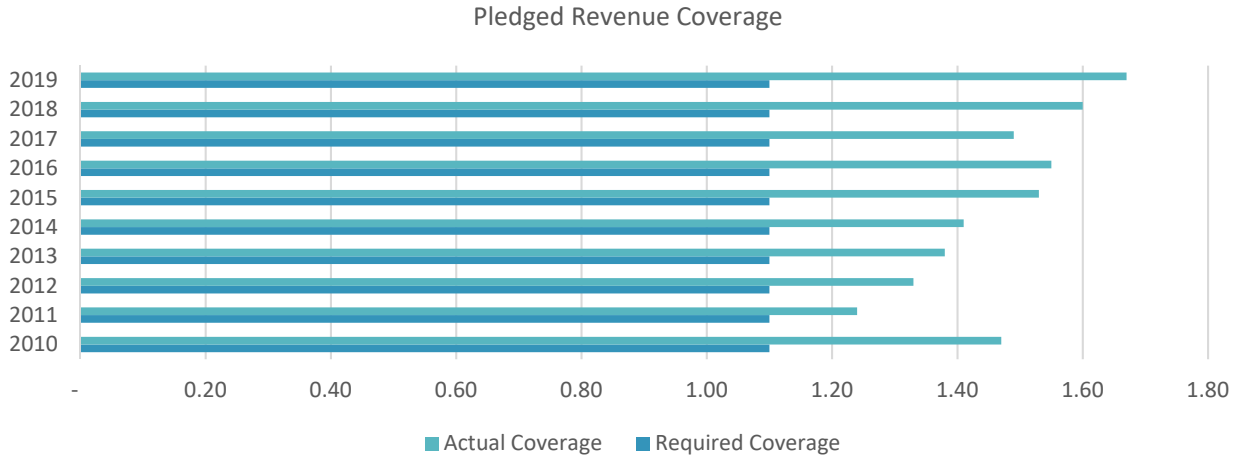
During FY 2019, the FGUA's net capital assets increased $15.8 million (6%) due to the acquisition of of the Dunnellon Utility System ($9.2 million). The Lehigh utility had depreciation greater than capital asset additions during FY 2019. All remaining utilities had net increases totaling over $8.9 million. Of the $282 million balance of capital assets (net of depreciation), $9.2 million represent costs incurred for capital projects that are under construction, but not yet completed as of September 30, 2019. Additional financial information on the FGUA's capital assets can be found in Note 6 of the Financial Section. Details on significant capital projects were described in the background information of each enterprise fund in the letter of transmittal in the introductory section.

DEBT ADMINISTRATION

On September 30, 2019, the FGUA had outstanding debt in the amount of $366 million in the form of revenue bonds, state revolving loans, seller financed notes, a capital lease, and a USDA loan. This is an increase of $3.4 million from the prior year's debt balance of $363 million. The Dunnellon Utility System acquisition added $12.8 million of new debt in the form of USDA loans. The North Fort Myers utility system also added $1 million of debt in the form of a state revolving loan. The bond refunding for the Lindrick and North Fort Myers Utility Systems resulted in a debt reduction of $9.9 million. Annual debt service payments accounted for a further $9.9 million debt reduction.

The Lake Aqua, Pasco Aqua, and Unified Aqua issuances have reserve accounts with a September 30, 2019 fair market value of $4 million. The remaining outstanding debt issues are fully insured via municipal bond insurance policies issued by Ambac Assurance Corporation and Assured Guaranty.

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.

FINANCIAL RESULTS OF OPERATIONS BY SYSTEM

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.

The major difference between FY 2019 and FY 2018 was the acquisition of the Dunnellon Utility System and the transition of the Golden Gate Utility System to Collier County. Generally, operating revenues and expenses increased modestly.

The impacts of acquisitions and transitions are reflected throughout this narrative as explanations for the large variances from prior year. There appear to be large decreases in revenues and expenses due to the mid-year transition of the Golden Gate Utility System to Collier County in Fiscal Year 2018. 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.

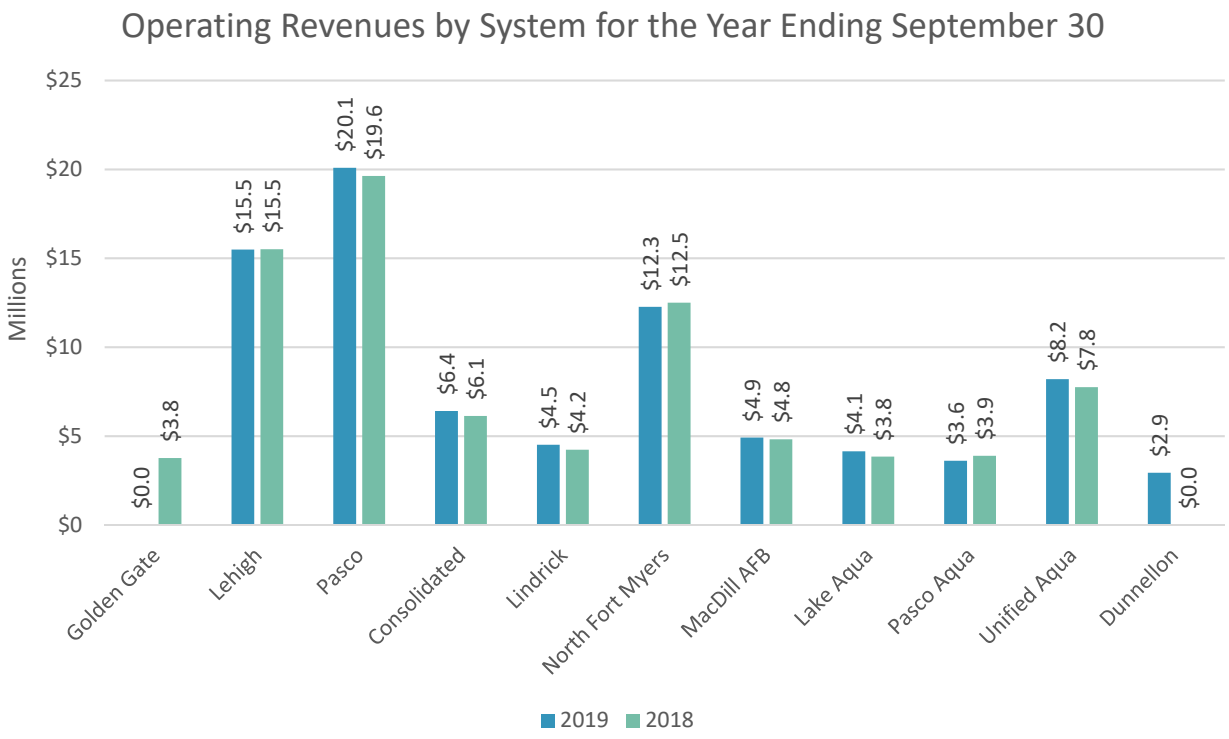
OPERATING REVENUES

Operating revenues (excluding the General Fund) increased $483 thousand or 0.6% from $82.1 million in FY 2018 to $82.6 million in FY 2019. This increase is primarily the result of annual rate adjustments combined with customer growth and usage.

- The Golden Gate Utility System was transferred March 1st, 2018 (FY 2018) to Collier County, by which time it earned $3.8 million. Fiscal Year 2019 represents the first full year after the transition and as such there is no revenue attributable to the Golden Gate Utility System.
- The Lehigh Acres Utility System realized a small decrease in operating revenues of $14,573 or -0.1% as compared to the prior year. This is primarily due to waiving the annual CPI index of 2.12% combined with a small increase in customer growth and an increase in customer usage.
- The Pasco Utility System realized an increase in operating revenues of $457 thousand or 2.3% as compared to the prior year. This increase was primarily the result of a Consumer Price Index rate increase of 2.12% at the beginning of the year.
- The Consolidated Utility System realized an increase in operating revenues of $274,502 or 4.5% as compared to the prior year. This increase was primarily the result of a Consumer

Price Index rate increase of 2.12% at the beginning of the year combined with an increase in customer usage.

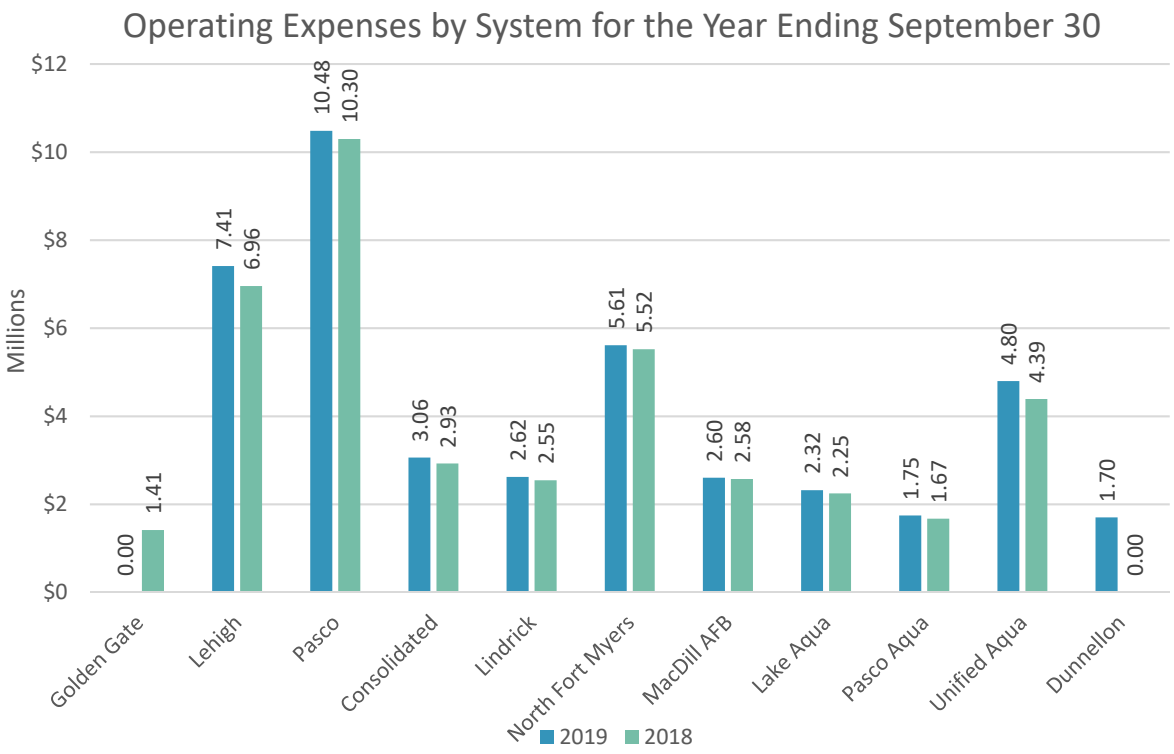
- The Lindrick Utility System realized an increase in operating revenues of $276,749 or 6.5% as compared to the prior year. This increase was primarily the result of a Consumer Price Index rate increase of 2.12% as the beginning of the year combined with an increase in customer usage.
- The North Fort Myers Utility System realized a decrease in operating revenues of $235,092 or -1.9% as compared to the prior year. This is primarily due to waiving the annual CPI index of 2.12% combined with a small increase in customer growth.
- The MacDill AFB Utility System operating revenues increased $95,474 or 2%, as compared to the prior year. The increase is the result of the annual Consumer Price Index increase from the Federal Government.
- The Lake Aqua, Pasco Aqua, and Unified Aqua Utility Systems experienced a $460,215 increase or 3.0% over FY 2018. This increase resulted from a combination of 7.12% rate increases in the Lake Aqua and Unified Aqua Utility Systems along with a 10% rate decrease in the Pasco Aqua Utility System.
- The Dunnellon Utility System earned $2.9 million for eleven months during Fiscal Year 2019. This is in line with operating projections.



OPERATING EXPENSES

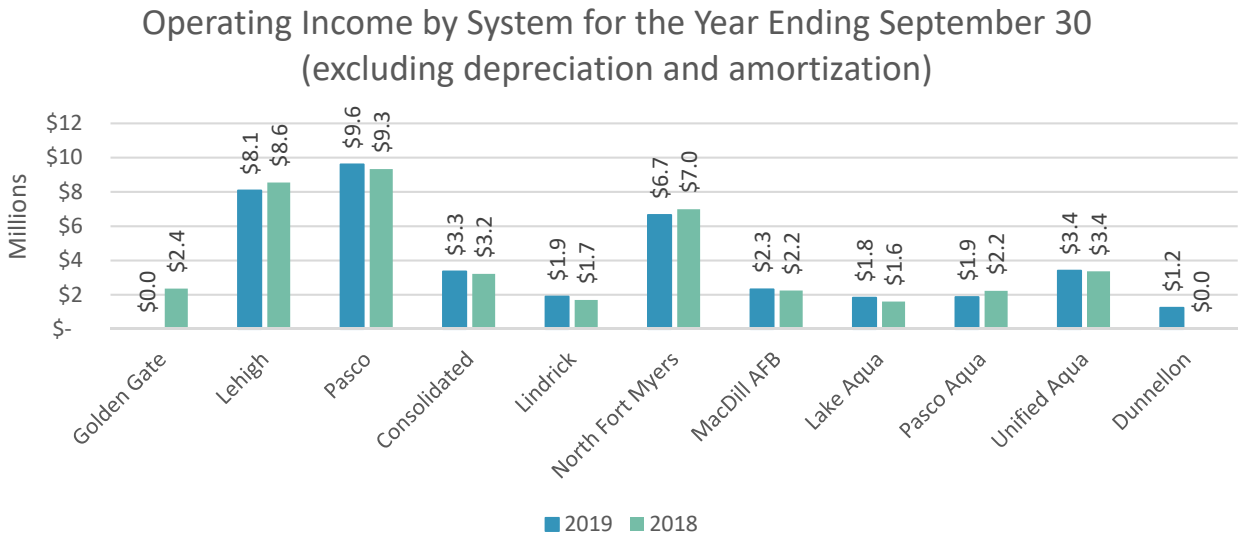
Operating expenses (excluding the General Fund and depreciation and amortization) at first glance appear to be 4.5% higher than in FY 2018, increasing from $40.5 million in FY 2018 to $42.4 million in FY 2019. Once we remove the transfer of the Golden Gate Utility System and acquisition of the Dunnellon Utility System, we find operating expenses increased approximately 3.9%.

- The Golden Gate Utility System was transferred March 1st, 2018 (FY 2018) to Collier County, by which time it incurred $1.4 million in operating expenses. Fiscal Year 2019 represents the first full year after the transition and as such there are no operating expenses attributable to the Golden Gate Utility System.
- The Lehigh Utility System realized an increase in operating expenses of $453,170 or 6.5%. This increase is primarily due to the increase in the operation and maintenance contract ($240,776).
- The Pasco Utility System realized an increase in operating expenses of $186,697 or 1.8%. This is in line with expected annual operating expenditure increases.
- The Consolidated Utility System realized an increase in operating expenses of $133,497 or 4.6%. This increase is primarily due to increased bulk water consumption (approx. $76,000).
- The Lindrick Utility System realized an increase in operating expenses of $74,404 or 2.9%. This is in line with expected annual operating expenditure increases.
- The North Fort Myers Utility System realized an increase in operating expenses of $92,358 or 1.7%. This is in line with expected annual operating expenditure increases.
- The MacDill AFB Utility System realized an increase in operating expenses of $26,773 or 1.0%. This is in line with expected annual operating expenditure increases.
- The Lake Aqua, Pasco Aqua and Unified Aqua Utility Systems operating expenses were $553,037 higher in FY 2019. Ignoring previous years' effects of Hurricane Irma storm response recovery, this increase would be roughly $300 thousand less for normal operating expenditures. Permit renewals, regulatory, and compliance items represent roughly $232 thousand of this increase.
- The Dunnellon Utility System incurred $1.7 million in operating expenses for eleven months during Fiscal Year 2019. This is in line with operating projections.


Operating Expenses by System for the Year Ending September 30
Millions
$12
$10
$8
$6
$4
$2
$0
0.00
1.41
7.41
6.96
10.48
10.30
3.06
2.93
2.62
2.55
5.61
5.52
2.60
2.58
2.32
2.25
1.75
1.67
4.80
4.39
1.70
0.00
Golden Gate
Lehigh
Pasco
Consolidated
Lindrick
North Fort Myers
MacDill AFB
Lake Aqua
Pasco Aqua
Unified Aqua
Dunnellon
2019
2018

NET OPERATING INCOME

Operating income is the net of operating revenue against operating expenses. Details of the changes in operating revenues and expenses are described in the previous pages for each of the utility systems. Below is a chart showing the net result.



FACTORS EXPECTED TO HAVE AN ECONOMIC IMPACT ON FUTURE OPERATIONS

The primary factors that have an economic impact on the FGUA's future operations include: additions and deletions of utility systems; restructuring acquisition debt; development and customer growth within system territories; and rate changes. Severe weather also tends to have a significant impact on operating expenses but cannot be predicted.

ADDITIONS AND DELETIONS OF UTILITY SYSTEMS

In December 2019, Pasco County approved taking ownership of the Pasco Aqua Utility System (FY 2020) and the Lindrick Utility System (FY 2021).

DEBT

Advance refunding acquisition debt between 2010 to 2018 will result in significant decreases in debt service for many of the FGUA systems in the future. In February 2019 we advanced refunded certain bonds in the Lindrick Utility System resulting in $227,000 debt service savings per year, in June 2019 we advanced refunded certain bonds in the North Fort Myers Utility System resulting in $436,000 debt service savings per year and in October 2019 the Pasco Utility System's Series 2010 bonds were advanced refunded and an additional $5 million in debt was incurred resulting in debt service savings of $894,000 per year. These debt service savings will be realized in future years.

RATE CHANGES

The Consolidated Utility System added a rate for reclaimed water service on 12/01/2018 in preparation for when reclaimed water service becomes available. This will result in a significant decrease in potable water revenues as customers change from regular treated water to using reclaimed water on separate irrigation meters. The reclaimed water will be supplied by Pasco County Utilities through a bulk reclaimed water agreement.

DEVELOPMENT

Developers have resumed building resulting in increased demand of connections in FY 2018 and FY 2019.

The Lehigh Utility System has the greatest number of undeveloped parcels within its service territory as compared to the other FGUA service territories. Many of the Lehigh Acres parcels are scattered throughout the territory as opposed to being in consolidated lots owned by developers. The Lehigh Acres Utility System collected $823 thousand in Impact fees during FY 2019 for an approximate 299 equivalent residential connections (ERCs).

In the Pasco Utility System, the FGUA has committed to capacity for the Mitchell 54 development. This development project will result in over 600 new residential units as well as multiple commercial developments, which should equate to approximately 3% more connections between FY 2019 and FY 2020.

CUSTOMERS

The number of customer connections increased overall during FY 2019 by 6,956 because of the acquisition of the Dunnellon Utility System. There was positive utility growth for the majority of the other systems during FY 2019. The Lehigh Acres Utility System experienced the greatest year over year customer growth with a net addition of 625 active connections. We predict the rate of future growth will continue to be relatively flat for most of the utility systems. 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. (Details on customer growth for the past ten years can be found in the Statistical Section).

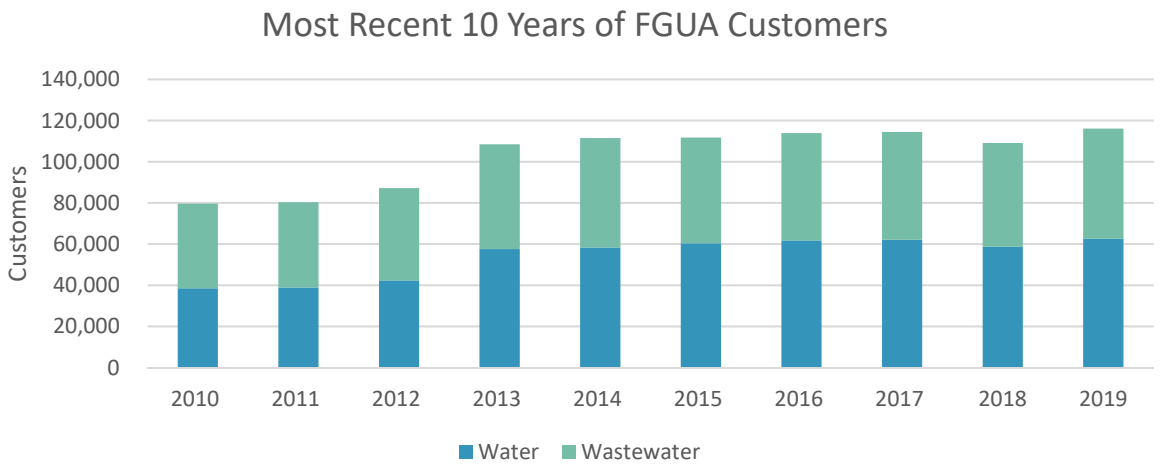
The following chart depicts the change in water and wastewater billed customers over the last two years. All the FGUA systems charge base fees if there is a connection that must be maintained, whether occupied or vacant.

	Water Customers				Wastewater Customers			
System	6/30/2019	6/30/2018	Growth	Percent Growth	6/30/2019	6/30/2018	Growth	Percent Growth
Lehigh Acres	13,208	12,886	322	2.50%	10,965	10,662	303	2.84%
Pasco Systems	18,182	18,138	44	0.24%	15,402	15,371	31	0.20%
Consolidated Systems	6,643	6,636	7	0.11%	3,427	3,420	7	0.20%
Lindrick Utility System	3,152	3,106	46	1.48%	2,652	2,613	39	1.49%
MacDill AFB	1	1	0	0.00%	1	1	0	0.00%
North Fort Myers System	1,847	1,855	(8)	-0.43%	12,037	11,952	85	0.71%
Lake Aqua System	5,057	5,058	(1)	-0.02%	1,254	1,254	0	0.00%
Pasco Aqua System	3,269	3,272	(3)	-0.09%	3,104	3,106	(2)	-0.06%
Unified Aqua System	7,773	7,752	21	0.27%	1,997	1,996	1	0.05%
Dunnellon	3,485	0	3,485	100.00%	2,579	0	2,579	100.00%
Totals	**62,617**	**58,704**	**3,913**	**6.67%**	**53,418**	**50,375**	**3,043**	**6.04%**

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. In 2010, the FGUA acquired the Consolidated, Lindrick, and North Fort Myers utility systems. In 2012, the FGUA acquired the Mad Hatter/Paradise Lakes utility systems. In 2013, the FGUA acquired the Lake Aqua, Pasco Aqua, and Unified Aqua utility systems. The FGUA transferred the Golden Gate Utility System to Collier County in 2018. The FGUA acquired the Dunnellon Utility System in 2018. 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.



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.

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FLORIDA GOVERNMENTAL UTILITY AUTHORITY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Non-System Specific	Lehigh Utility System	Pasco Utility System	Consolidated Utility Systems	Lindrick Utility System
ASSETS					
Current assets					
Cash and cash equivalents	$ 854,706	$ 17,577,979	$ 9,849,960	$ 7,985,332	$ 2,407,134
Restricted assets:					
Cash and cash equivalents	-	4,163,472	6,738,293	1,924,492	1,441,395
Due from other governments	-	-	-	-	-
Accounts receivable, net	82,258	2,055,904	2,479,376	888,501	607,965
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid items	26,383	363,752	37,064	29,379	94,474
Total current assets	963,347	24,161,107	19,104,693	10,827,704	4,550,968
Non-current assets					
Restricted assets:					
Cash and cash equivalents	-	4,750,318	8,454,549	4,494,621	347,994
Special assessment receivable	-	284,492	-	-	-
Intangible right-of-use agreements, net	-	-	-	-	3,273,200
Land	-	2,557,494	1,637,649	227,526	49,504
Utility plants	188,647	125,627,881	70,072,602	16,105,936	9,383,653
Construction in process	-	4,883,458	84,500	310,082	540
Accumulated depreciation	(70,298)	(63,018,046)	(19,739,179)	(2,640,475)	(1,748,993)
Excess of cost over fair value of acquired assets, net	-	1,101,485	35,647,557	9,959,710	11,341,274
Total non-current assets	118,349	76,187,082	96,157,678	28,457,400	22,647,172
Total Assets	1,081,696	100,348,189	115,262,371	39,285,104	27,198,140
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on bond refunding	-	2,222,614	-	-	1,023,111
LIABILITIES					
Current liabilities					
Accounts payable	465,491	1,101,694	1,598,774	484,725	242,583
Customer deposits	-	1,562,695	1,901,664	398,112	213,396
Liabilities payable from current restricted assets:					
Accounts payable	-	638,513	235,976	203,081	460,568
Interest payable	-	1,120,959	3,342,317	514,111	435,911
Current portion of long-term debt	-	2,404,000	3,160,000	1,207,300	544,916
Total current liabilities	465,491	6,827,861	10,238,731	2,807,329	1,897,374
Non-current liabilities					
Non-current portion of long-term debt	-	62,281,010	103,406,406	27,193,363	22,906,496
Total Liabilities	465,491	69,108,871	113,645,137	30,000,692	24,803,870
NET POSITION					
Net investment in capital assets	118,349	8,996,004	(18,844,346)	(4,202,094)	351,687
Restricted for:					
Capital projects	-	4,631,524	816,204	1,073,163	97,915
Debt service	-	2,216,666	10,779,414	4,392,968	314,185
Unrestricted	497,856	17,617,738	8,865,962	8,020,375	2,653,594
Total Net Position	$ 616,205	$ 33,461,932	$ 1,617,234	$ 9,284,412	$ 3,417,381

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

N. Fort Myers Utility System	MacDill AFB Utility System	Lake Aqua Utility System	Pasco Aqua Utility System	Unified Aqua Utility System	Dunnellon Utility System	Total
$ 10,540,472	$ 4,462,144	$ 1,865,412	$ 3,806,564	$ 4,019,089	$ 1,627,477	$ 64,996,269
2,344,757	1,205,912	859,332	908,832	1,245,603	646,677	21,478,765
-	-	-	-	-	611,502	611,502
1,508,443	834,413	564,027	517,509	1,148,680	426,021	11,113,097
522,705	-	-	-	-	73,904	596,609
-	-	-	-	-	-	-
199,561	6,050	47,298	32,485	88,608	8,861	933,915
15,115,938	6,508,519	3,336,069	5,265,390	6,501,980	3,394,442	99,730,157
745,035	1,617,614	1,159,729	1,715,963	1,684,676	790,979	25,761,478
-	-	-	-	-	323,993	608,485
-	-	-	-	267,480	-	3,540,680
345,710	-	227,084	177,485	1,222,850	580,415	7,025,717
69,701,466	49,356,976	9,054,406	8,110,780	28,018,101	8,868,189	394,488,637
243,666	3,217,857	163,252	534	2,771	259,367	9,166,027
(17,826,124)	(10,330,824)	(2,991,413)	(2,161,179)	(7,486,530)	(523,576)	(128,536,637)
12,173,734	-	6,823,992	9,039,413	1,046,395	-	87,133,560
65,383,487	43,861,623	14,437,050	16,882,996	24,755,743	10,299,367	399,187,947
80,499,425	50,370,142	17,773,119	22,148,386	31,257,723	13,693,809	498,918,104
3,074,471	-	-	-	-	-	6,320,196
610,603	380,414	469,647	264,855	1,167,719	275,298	7,061,803
547,322	4,000	260,590	348,556	418,704	115,597	5,770,636
359,040	406,849	105,420	74,745	96,502	115,649	2,696,343
429,176	-	358,903	399,087	484,028	351,507	7,435,999
1,556,541	799,063	395,009	435,000	665,073	179,521	11,346,423
3,502,682	1,590,326	1,589,569	1,522,243	2,832,026	1,037,572	34,311,204
56,132,458	11,902,309	16,059,166	17,683,283	24,442,997	12,602,547	354,610,035
59,635,140	13,492,635	17,648,735	19,205,526	27,275,023	13,640,119	388,921,239
10,078,507	29,542,637	(3,175,902)	(2,925,750)	(2,023,065)	(3,155,430)	14,760,597
733,999	2,416,677	38,177	437,569	96,697	861,805	11,203,730
1,512,994	-	1,515,609	1,687,894	2,239,114	277,954	24,936,798
11,613,256	4,918,193	1,746,500	3,743,147	3,669,954	2,069,361	65,415,936
$ 23,938,756	$ 36,877,507	$ 124,384	$ 2,942,860	$ 3,982,700	$ 53,690	$ 116,317,061

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, 2019

	Non-System Specific	Lehigh Utility System	Pasco Utility System	Consolidated Utility Systems	Lindrick Utility System
Operating revenues					
Water and wastewater revenues	$ -	$ 14,716,145	$ 19,387,507	$ 6,134,643	$ 4,366,866
Other operating revenues	59,300	775,729	695,365	274,953	143,555
Total operating revenues	59,300	15,491,874	20,082,872	6,409,596	4,510,421
Operating expenses					
Operating and management services	-	6,823,225	9,769,026	2,872,973	2,529,544
Other operating expenses	170,787	586,366	713,583	187,141	92,031
Depreciation and amortization	26,408	4,488,635	4,306,720	1,058,467	899,058
Total operating expenses	197,195	11,898,226	14,789,329	4,118,581	3,520,633
Operating income	(137,895)	3,593,648	5,293,543	2,291,015	989,788
Nonoperating revenues (expenses)					
Investment income	10,748	451,016	431,684	309,097	67,504
Miscellaneous income	174,302	-	170,777	2,275	128
Build America Bond interest subsidies	-	-	2,194,565	-	268,786
Operating grants	-	363,139	162,946	22,702	1,708
Interest expense	-	(2,103,464)	(6,699,848)	(1,164,890)	(1,317,085)
Debt issuance costs	-	-	-	-	(377,350)
Total nonoperating revenues (expenses)	185,050	(1,289,309)	(3,739,876)	(830,816)	(1,356,309)
Income (loss) before capital contributions	47,155	2,304,339	1,553,667	1,460,199	(366,521)
Capital contributions					
Capital grants	-	-	-	-	-
Recoverable portion of system purchase price	-	-	-	-	-
Impact fees and developer contributions	-	900,403	1,261,362	322,652	45,200
Total capital contributions	-	900,403	1,261,362	322,652	45,200
Increase (decrease) in net position	47,155	3,204,742	2,815,029	1,782,851	(321,321)
Net position, beginning of year	569,050	30,257,190	(1,197,795)	7,501,561	3,738,702
Net position, end of year	$ 616,205	$ 33,461,932	$ 1,617,234	$ 9,284,412	$ 3,417,381

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

N. Fort Myers Utility System	MacDill AFB Utility System	Lake Aqua Utility System	Pasco Aqua Utility System	Unified Aqua Utility System	Dunnellon Utility System	Total
$ 12,121,398	$ 4,880,893	$ 3,990,800	$ 3,422,014	$ 7,768,238	$ 2,880,088	$ 79,668,592
146,021	33,275	153,648	187,496	432,853	56,540	2,958,735
12,267,419	4,914,168	4,144,448	3,609,510	8,201,091	2,936,628	82,627,327
5,108,122	2,444,457	2,183,369	1,637,156	4,425,031	1,571,248	39,364,151
505,397	158,252	135,609	109,328	375,046	131,743	3,165,283
2,880,717	1,843,988	810,064	774,997	1,429,306	523,575	19,041,935
8,494,236	4,446,697	3,129,042	2,521,481	6,229,383	2,226,566	61,571,369
3,773,183	467,471	1,015,406	1,088,029	1,971,708	710,062	21,055,958
320,931	3,813	60,210	119,127	107,946	36,073	1,918,149
26,369	139,189	2,843	3,099	2,199	1,376	522,557
998,230	-	-	-	-	-	3,461,581
112,671	-	138,896	36,038	346,193	-	1,184,293
(3,584,388)	(786,767)	(722,074)	(803,927)	(983,384)	(351,507)	(18,517,334)
(588,225)	-	(2,324)	-	(18,931)	(694,143)	(1,680,973)
(2,714,412)	(643,765)	(522,449)	(645,663)	(545,977)	(1,008,201)	(13,111,727)
1,058,771	(176,294)	492,957	442,366	1,425,731	(298,139)	7,944,231
-	454,929	-	-	-	236,617	691,546
-	1,539,409	-	-	-	-	1,539,409
861,649	-	7,566	1,392	19,500	115,212	3,534,936
861,649	1,994,338	7,566	1,392	19,500	351,829	5,765,891
1,920,420	1,818,044	500,523	443,758	1,445,231	53,690	13,710,122
22,018,336	35,059,463	(376,139)	2,499,102	2,537,469	-	102,606,939
$ 23,938,756	$ 36,877,507	$ 124,384	$ 2,942,860	$ 3,982,700	$ 53,690	$ 116,317,061

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, 2019

	Non-System Specific	Lehigh Utility System	Pasco Utility System	Consolidated Utility Systems	Lindrick Utility System
Cash flows from operating activities					
Cash received from customers, including customer deposits	$ 352,298	$ 15,753,328	$ 19,955,880	$ 6,360,652	$ 4,431,065
Cash received from rental activities	-	-	170,777	2,275	128
Cash payments for contractual and other services	(128,945)	(7,633,291)	(10,694,550)	(2,997,625)	(2,904,646)
Net cash provided by (used in) operating activities	223,353	8,120,037	9,432,107	3,365,302	1,526,547
Cash flows from capital and related financing activities					
Proceeds from issuance of bonds and loans	-	-	-	-	19,195,000
Debt issuance costs	-	-	-	-	(1,400,461)
Principal paid on revenue bond and assessment note	-	(2,278,899)	(3,070,000)	(183,101)	(20,346,400)
Interest paid on revenue bonds and assessment note	-	(2,424,186)	(6,754,813)	(1,165,724)	(1,717,824)
Build America Bond subsidy receipts on revenue bonds	-	-	2,194,565	-	268,786
Payments to acquire and construct plant property	(76,491)	(2,608,236)	(3,805,555)	(2,340,363)	(502,979)
Operating grants	-	363,139	162,946	22,702	1,708
Capital grants	-	-	-	-	-
Impact fees and other capital contributions	-	823,920	353,134	26,850	45,200
Net cash provided by (used in) capital and related financing activities	(76,491)	(6,124,262)	(10,919,723)	(3,639,636)	(4,456,970)
Cash flows from investing activities					
Sales (purchases) of investments	-	-	1,842,703	-	403,880
Interest received	10,748	451,016	431,684	309,097	67,504
Net cash provided by (used in) investing activities	10,748	451,016	2,274,387	309,097	471,384
Net increase (decrease) in cash and cash equivalents	157,610	2,446,791	786,771	34,763	(2,459,039)
Cash and cash equivalents, beginning of year	697,096	24,044,978	24,256,031	14,369,682	6,655,562
Cash and cash equivalents, end of year	$ 854,706	$ 26,491,769	$ 25,042,802	$ 14,404,445	$ 4,196,523
Reconciliation of operating income to net cash provided by (used in) operating activities					
Cash flows from operating activities					
Operating income	$ (137,895)	$ 3,593,648	$ 5,293,543	$ 2,291,015	$ 989,788
Adjustments to reconcile operating income to net cash provided by operating activities:					
Miscellaneous nonoperating income	174,302	-	170,777	2,275	128
Depreciation and amortization expense	26,408	4,488,635	4,306,720	1,058,467	899,058
Changes in assets and liabilities					
Decrease (Increase) in accounts receivable	(82,258)	156,879	(236,069)	(77,249)	(101,282)
Decrease (Increase) in prepaid expenses	(14,014)	1,137	(30,494)	(11,367)	(87,279)
Increase (Decrease) in accounts payable and accrued expenses	256,810	(224,837)	(181,447)	73,856	(195,792)
Increase (Decrease) in customer deposits payable	-	104,575	109,077	28,305	21,926
Total adjustments	361,248	4,526,389	4,138,564	1,074,287	536,759
Net cash provided by (used in) operating activities	$ 223,353	$ 8,120,037	$ 9,432,107	$ 3,365,302	$ 1,526,547
Supplemental schedule of noncash investing, capital, and financing activities					
Amortization of excess of cost over fair value of acquired assets	$ -	$ 264,356	$ 1,835,925	$ 445,782	$ 555,491
Amortization of deferred loss on refunding	-	109,700	-	-	-
Bond discount (premium) amortization	-	(397,122)	15,215	353	-
Plant property contributed by developers	-	76,483	908,228	295,802	-

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

N. Fort Myers Utility System	MacDill AFB Utility System	Lake Aqua Utility System	Pasco Aqua Utility System	Unified Aqua Utility System	Dunnellon Utility System	Total
$ 11,879,130	$ 5,290,215	$ 4,185,037	$ 3,650,681	$ 8,450,499	$ 1,616,805	$ 81,925,590
26,369	139,189	2,843	3,099	2,199	1,376	348,255
(5,709,918)	(2,407,303)	(2,080,720)	(1,668,418)	(4,430,622)	(1,436,554)	(42,092,592)
6,195,581	3,022,101	2,107,160	1,985,362	4,022,076	181,627	40,181,253
45,641,619	-	-	-	-	12,782,068	77,618,687
(3,690,618)	-	(2,324)	-	(18,931)	(694,143)	(5,806,477)
(45,863,659)	(752,642)	(380,062)	(424,999)	(605,438)	-	(73,905,200)
(5,023,612)	(786,767)	(722,156)	(804,550)	(976,291)	-	(20,375,923)
998,230	-	-	-	-	-	3,461,581
(3,350,811)	(3,676,773)	(646,154)	(900,478)	(2,055,301)	(9,540,530)	(29,503,671)
112,671	-	138,896	36,038	346,193	-	1,184,293
-	-	-	-	-	236,617	236,617
66,021	1,994,338	7,566	1,392	19,500	63,421	3,401,342
(11,110,159)	(3,221,844)	(1,604,234)	(2,092,597)	(3,290,268)	2,847,433	(43,688,751)
1,009,700	-	-	-	-	-	3,256,283
320,931	3,813	60,210	119,127	107,946	36,073	1,918,149
1,330,631	3,813	60,210	119,127	107,946	36,073	5,174,432
(3,583,947)	(195,930)	563,136	11,892	839,754	3,065,133	1,666,934
17,214,211	7,481,600	3,321,337	6,419,467	6,109,614	-	110,569,578
$ 13,630,264	$ 7,285,670	$ 3,884,473	$ 6,431,359	$ 6,949,368	$ 3,065,133	$ 112,236,512
$ 3,773,183	$ 467,471	$ 1,015,406	$ 1,088,029	$ 1,971,708	$ 710,062	$ 21,055,958
26,369	139,189	2,843	3,099	2,199	1,376	522,557
2,880,717	1,843,988	810,064	774,997	1,429,306	523,575	19,041,935
(444,481)	376,047	17,037	16,460	207,769	(1,435,420)	(1,602,567)
(159,350)	(845)	(1,159)	(8,160)	4,850	(8,861)	(315,542)
62,951	196,251	239,417	86,226	364,605	275,298	953,338
56,192	-	23,552	24,711	41,639	115,597	525,574
2,422,398	2,554,630	1,091,754	897,333	2,050,368	(528,435)	19,125,295
$ 6,195,581	$ 3,022,101	$ 2,107,160	$ 1,985,362	$ 4,022,076	$ 181,627	$ 40,181,253
$ 584,339	$ -	$ 290,383	$ 384,656	$ 54,435	$ -	$ 4,415,367
27,922	-	-	-	-	-	137,622
8,443	-	2,831	5,752	10,893	-	(353,635)
795,628	-	-	-	-	-	2,076,141

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

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(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.

Based on the criteria in Governmental Accounting Standards Board (GASB) Codification, 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 Authority utilizes the accrual basis of accounting in accordance with the GASB Codification.

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 (Lehigh Acres, Pasco, Consolidated, Lindrick, North Fort Myers, MacDill AFB, Lake Aqua, Pasco Aqua, Unified Aqua, and Dunnellon) in ten separate funds. The Authority has one non-system specific fund that handles the administration of the interlocal agreements. All funds are considered major funds.

(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 acquisition value on the date of contribution. Expenditures of $5,000 or more are capitalized. 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.

(l) **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.

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

(m) **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.

(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:**

Dunnellon utility system—Effective October 26, 2018, the Authority Board of Directors accepted and approved a contract for the acquisition, repair, improvement, and operation of water and wastewater utility facilities owned by the City of Dunnellon, Florida, for a purchase price of $12,119,727. The acquired utility facilities were recorded in a new fund for financial reporting purposes.

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

As discussed further in Note (7), the Authority Board of Directors authorized the issuance of the Dunnellon Utility System U.S. Department of Agriculture (USDA) Rural Development Loan. The purpose of these bonds was to finance the acquisition and improvement of the utility assets acquired.

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

In recent years, the Authority has periodically engaged in selling rehabilitated utility systems, most recently selling the Golden Gate system in fiscal year 2018.

No other such sales occurred during the year ended September 30, 2019.

(4) **Deposits and Investments:**

(a) **Deposits**—At September 30, 2019, 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 Codification. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Assets or liabilities for which the identical item is traded on an active exchange, such as publicly-traded instruments or futures contracts.

Level 2: Assets and liabilities valued based on observable market data for similar instruments. Fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for assets and liabilities, either directly or indirectly.

Level 3: Assets or liabilities for which significant valuation assumptions are not readily observable in the market and instruments, which are valued based on the best available data. Fair value is estimated using unobservable inputs that are significant to the fair value of the assets or liabilities. Level 3 assets may include instruments for which the determination of fair value requires significant management judgment or estimation.

At September 30, 2019, the Authority held no additional investments after the Level 2 Municipal bonds held matured July 15, 2019. The monies from the bond were deposited into cash accounts.

(4) **Deposits and Investments:** (Continued)

(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 money market mutual funds do not have credit quality ratings.

(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, 2019, the Authority had no investments subject to interest rate risk.

(5) **Accounts Receivable:**

Receivables at September 30, 2019, consist of the following:

	Non-System Specific	Lehigh Utility System	Pasco Utility System	Consolidated Utility System
Billed customer receivables	$ -	$ 1,774,222	$ 1,717,297	$ 793,016
Unbilled customer receivables	-	697,559	1,111,591	321,402
Special assessments - current	-	41,266	-	-
Other receivables	82,258	-	-	3,569
Gross accounts receivable	82,258	2,513,047	2,828,888	1,117,987
Less: Allowance for uncollectibles	-	(457,143)	(349,512)	(229,486)
Net total receivables	$ 82,258	$ 2,055,904	$ 2,479,376	$ 888,501

(5) **Accounts Receivable:** (Continued)

	Lindrick Utility System	N. Ft. Myers Utility System	MacDill AFB Utility System	Lake Aqua Utility System
Billed customer receivables	$ 437,471	$ 554,534	$ 834,413	$ 490,315
Unbilled customer receivables	343,986	1,027,777	-	187,572
Special assessments - current	-	-	-	-
Other receivables	-	52,242	-	-
Gross accounts receivable	781,457	1,634,553	834,413	677,887
Less: Allowance for uncollectibles	(173,492)	(126,110)	-	(113,860)
Net total receivables	$ 607,965	$ 1,508,443	$ 834,413	$ 564,027

	Pasco Aqua Utility System	Unified Aqua Utility System	Dunnellon Utility System	Total
Billed customer receivables	$ 437,612	$ 959,502	$ 348,408	$ 8,346,790
Unbilled customer receivables	241,329	478,110	123,397	4,532,723
Special assessments - current	-	-	-	41,266
Other receivables	-	-	21,069	159,138
Gross accounts receivable	678,941	1,437,612	492,874	13,079,917
Less: Allowance for uncollectibles	(161,432)	(288,932)	(66,853)	(1,966,820)
Net total receivables	$ 517,509	$ 1,148,680	$ 426,021	$ 11,113,097

(6) **Capital Assets:**

Changes in the Authority's capital assets for the year ended September 30, 2019, were as follows:

	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
Capital assets not being depreciated:				
Land	$ 6,459,462	$ 580,595	$ (14,340)	$ 7,025,717
Construction in progress	23,023,132	19,254,012	(33,111,117)	9,166,027
Total capital assets not being depreciated	29,482,594	19,834,607	(33,125,457)	16,191,744
Capital assets being depreciated:				
Utility plants	350,798,633	43,750,702	(60,698)	394,488,637
Accumulated depreciation	(113,970,765)	(14,626,570)	60,698	(128,536,637)
Total capital assets being depreciated, net	236,827,868	29,124,132	-	265,952,000
Capital assets, net	$ 266,310,462	$ 48,958,739	$ (33,125,457)	$ 282,143,744
Excess of cost over fair value of acquired assets	$ 129,520,247	$ -	$ -	$ 129,520,247
Accumulated amortization	(37,981,227)	(4,405,460)	-	(42,386,687)
Excess of cost over fair value of acquired assets, net	91,539,020	(4,405,460)	-	87,133,560
Right of use intangibles	3,570,400	-	-	3,570,400
Accumulated amortization	(19,813)	(9,907)	-	(29,720)
Right of use intangibles, net	3,550,587	(9,907)	-	3,540,680
Intangible assets, net	$ 95,089,607	$ (4,415,367)	$ -	$ 90,674,240

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

(a) Revenue bonds and notes payable at September 30, 2019, are comprised of the following:

Lehigh Acres Utility System	
$10,120,000 2.00%-4.00% Series 2017 Serial Bonds interest due semi-annually on April 1 and October 1 commencing April 1, 2018, principal payments due annually October 1, 2018 through 2040; secured by pledged water and wastewater revenues	$ 10,035,000
$1,145,000 2.00%-5.00% Series 2017 Term Bonds interest due semi-annually on April 1 and October 1 commencing April 1, 2018, principal payments due biannually October 1, 2022 through 2030; secured by pledged water and wastewater revenues	1,145,000
$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	14,205,000
$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	15,800,000
$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
$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	6,376,800
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	6,420,000
$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

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

$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		1,450,000
$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
$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
$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		2,979,200
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%		575,246

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

$19,195,000 Series 2019 Serial Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2019, principal payments due annually October 1, 2019 through 2039; interest at rates ranging from 3.00% to 5.00%; secured by pledged water and wastewater revenues	$ 19,195,000
$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	2,035,600
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	3,060,000
$44,655,000 Series 2019 Serial Bonds interest due semi-annually on April 1 and October 1 commencing October 1, 2019, principal payments due annually October 1, 2021 through 2039; interest at rates ranging from 4.00% to 5.00%; secured by pledged water and wastewater revenues	44,655,000
$986,619 Loan Agreement WW360850—The North Fort Myers 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 $2,648,113 at an interest rate of 1.09%. 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 April 15, 2020, currently in the amount of $55,037; secured by pledged water and wastewater revenues. This loan is junior and subordinate in all regards in right of payment and security to the North Fort Myers Utility System Series 2019 Bonds	986,619
$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	929,500
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	12,701,372

(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	$	2,070,000
$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
$120,000 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%. Amendment 1 to the loan increased the loan amount by $85,000 at an interest rate of 2.14%. 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, 2019, currently in the amount of $3,748; 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		121,122

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		2,305,000
$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

(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	$	4,740,000
$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
$950,382 Loan Agreement WW590320—The Unified 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 at an interest rate of 0.83%. The funds were used for construction of the Authority's Reclaimed Water Storage Tank project. According to the loan agreement, 40 semi-annual payments of principal and interest are due beginning on June 15, 2019, currently in the amount of $39,566; secured by pledged water and wastewater revenues		949,945

Dunnellon Utility System

$9,000,000 2.75% U.S. Department of Agriculture Rural Development Loan interest due annually on October 26 commencing October 26, 2019, principal payments due annually October 26, 2019 through 2058; secured by pledged water and wastewater revenues		9,000,000
$3,782,068 2.75% U.S. Department of Agriculture Rural Development Loan interest due annually on October 26 commencing October 26, 2019, principal payments due annually October 26, 2019 through 2058; secured by pledged water and wastewater revenues		3,782,068
Bonds and notes payable at September 30, 2019		354,022,472
Add: unamortized bond premiums, net of unamortized bond discounts		11,933,986
Total long-term bonds and notes payable, net		365,956,458
Less: current portion of bonds and notes payable		(11,346,423)
Long-term bonds and notes payable at September 30, 2019, net	$	354,610,035

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.

September 30	Water, Wastewater and Other Revenue	Debt Service	
		Principal	Interest
Lehigh Acres	$ 15,892,892	$ 2,180,000	$ 2,241,919
Pasco	20,685,333	3,160,000	4,490,068
Consolidated	6,720,970	640,000	1,094,888
Lindrick	4,738,054	587,500	985,845
North Fort Myers	12,414,720	1,495,000	2,527,989
Lake Aqua	4,207,501	392,492	716,629
Pasco Aqua	3,731,735	435,000	798,176
Unified Aqua	8,311,233	657,390	969,464
Dunnellon	2,974,076	179,521	351,507
Totals	$ 79,676,514	$ 9,726,903	$ 14,176,485

The Lehigh 2010 Bond series were in-substance defeased on September 7, 2017. The escrow account to legally defease these bonds was funded by issuing the 2017 series of bonds and using unrestricted cash accumulated in the Lehigh Acres enterprise fund. The escrow account consists of multiple U.S. treasury notes timed to mature in step with interest and principal payments with the final maturity on 9/30/2021. The balance of outstanding in-substance defeased debt as of September 30, 2019, is $12,535,000. This amount will be available to be redeemed early on October 1, 2021.

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

(b) **Changes in bonds and notes payable**—Activity in bonds and notes payable for the year ended September 30, 2019, was as follows:

	Balance October 1, 2018	Additions	Reductions	Balance September 30, 2019	Due Within One Year
Secured by pledged water and wastewater revenues:					
Bonds	$ 327,085,000	$ 63,850,000	$ (82,350,000)	$ 308,585,000	$ 8,685,000
Bond premiums and discounts, net	2,577,314	9,710,306	(353,634)	11,933,986	-
Bonds, net	329,662,314	73,560,306	(82,703,634)	320,518,986	8,685,000
Seller-financed notes	5,000,000	-	-	5,000,000	1,000,000
USDA Loans	-	12,782,068	-	12,782,068	179,521
State Revolving Loans	1,066,566	994,586	(3,466)	2,057,686	72,223
Subtotal debt secured by pledged water & wastewater revenues	335,728,880	87,336,960	(82,707,100)	340,358,740	9,936,744
Secured by other (county bonds, assets):					
Capital leases	753,412	-	(178,166)	575,246	182,216
Seller-financed notes	13,454,014	-	(752,642)	12,701,372	799,063
Notes payable	12,660,300	-	(339,200)	12,321,100	428,400
Subtotal other debt	26,867,726	-	(1,270,008)	25,597,718	1,409,679
Bonds and notes payable, net	$ 362,596,606	$ 87,336,960	$ (83,977,108)	$ 365,956,458	$ 11,346,423

(c) Debt service requirements to maturity are as follows at September 30, 2019:

	Lehigh Utility System		
September 30	**Principal**	**Interest**	**Total Debt Service**
2020	$ 2,404,000	$ 2,384,884	$ 4,788,884
2021	2,521,400	2,308,934	4,830,334
2022	2,672,900	2,200,232	4,873,132
2023	2,781,000	2,095,253	4,876,253
2024	2,954,800	1,975,311	4,930,111
2025 – 2029	17,365,400	8,012,278	25,377,678
2030 – 2034	19,402,300	4,681,252	24,083,552
2035 – 2039	9,235,000	1,424,818	10,659,818
2040 – 2041	2,985,000	91,850	3,076,850
Totals	$ 62,321,800	$ 25,174,812	$ 87,496,612

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

Pasco Utility System

September 30	Principal	Interest	Total Debt Service
2020	$ 3,160,000	$ 6,684,633	$ 9,844,633
2021	3,260,000	6,532,258	9,792,258
2022	3,370,000	6,368,541	9,738,541
2023	3,495,000	6,175,777	9,670,777
2024	3,625,000	5,975,863	9,600,863
2025 – 2029	20,300,000	26,532,233	46,832,233
2030 – 2034	24,805,000	19,590,007	44,395,007
2035 – 2039	30,525,000	10,781,281	41,306,281
2040 – 2041	14,105,000	1,395,051	15,500,051
Totals	$ 106,645,000	$ 90,035,644	$ 196,680,644

Consolidated Utility System

September 30	Principal	Interest	Total Debt Service
2020	$ 1,207,300	$ 1,162,314	$ 2,369,614
2021	1,174,500	1,116,865	2,291,365
2022	1,236,900	1,072,298	2,309,198
2023	1,276,400	1,026,333	2,302,733
2024	1,345,600	978,439	2,324,039
2025 – 2029	4,902,800	4,373,034	9,275,834
2030 – 2034	6,025,700	3,291,327	9,317,027
2035 – 2039	4,885,000	2,213,000	7,098,000
2040 – 2043	6,200,000	738,000	6,938,000
Totals	$ 28,254,200	$ 15,971,610	$ 44,225,810

Lindrick Utility System

September 30	Principal	Interest	Total Debt Service
2020	$ 544,916	$ 493,228	$ 1,038,144
2021	855,358	862,312	1,717,670
2022	908,195	826,517	1,734,712
2023	762,277	790,673	1,552,950
2024	805,700	755,674	1,561,374
2025 – 2029	4,991,800	3,170,618	8,162,418
2030 – 2034	5,577,600	2,015,748	7,593,348
2035 – 2039	6,010,000	1,004,688	7,014,688
2040 – 2041	1,350,000	54,000	1,404,000
Totals	$ 21,805,846	$ 9,973,458	$ 31,779,304

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

North Fort Myers Utility System

September 30	Principal	Interest	Total Debt Service
2020	$ 1,556,541	$ 484,870	$ 2,041,411
2021	1,655,146	2,092,838	3,747,984
2022	1,586,434	2,061,892	3,648,326
2023	1,648,527	2,000,609	3,649,136
2024	1,735,826	1,921,323	3,657,149
2025 – 2029	10,096,801	8,267,648	18,364,449
2030 – 2034	12,583,810	5,595,315	18,179,125
2035 – 2039	15,350,664	2,545,321	17,895,985
2040 – 2041	3,417,370	135,749	3,553,119
Totals	$ 49,631,119	$ 25,105,565	$ 74,736,684

MacDill AFB Utility System

September 30	Principal	Interest	Total Debt Service
2020	$ 799,063	$ 740,346	$ 1,539,409
2021	848,348	691,061	1,539,409
2022	900,672	638,737	1,539,409
2023	956,224	583,186	1,539,410
2024	1,015,201	524,208	1,539,409
2025 – 2029	6,096,141	1,600,904	7,697,045
2030 – 2031	2,085,723	95,106	2,180,829
Totals	$ 12,701,372	$ 4,873,548	$ 17,574,920

Lake Aqua Utility System

September 30	Principal	Interest	Total Debt Service
2020	$ 395,009	$ 717,784	$ 1,112,793
2021	405,106	707,936	1,113,042
2022	420,205	695,837	1,116,042
2023	430,307	683,285	1,113,592
2024	445,411	669,369	1,114,780
2025 – 2029	2,503,679	3,069,095	5,572,774
2030 – 2034	3,081,594	2,493,492	5,575,086
2035 – 2039	3,844,811	1,728,023	5,572,834
2040 – 2044	4,850,000	688,650	5,538,650
Totals	$ 16,376,122	$ 11,453,471	$ 27,829,593

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

Pasco Aqua Utility System

September 30	Principal	Interest	Total Debt Service
2020	$ 435,000	$ 798,175	$ 1,233,175
2021	445,000	787,300	1,232,300
2022	460,000	773,950	1,233,950
2023	475,000	760,150	1,235,150
2024	490,000	744,713	1,234,713
2025 – 2029	2,760,000	3,413,201	6,173,201
2030 – 2034	3,405,000	2,774,213	6,179,213
2035 – 2039	4,250,000	1,923,500	6,173,500
2040 – 2044	5,400,000	766,700	6,166,700
Totals	$ 18,120,000	$ 12,741,902	$ 30,861,902

Unified Aqua Utility System

September 30	Principal	Interest	Total Debt Service
2020	$ 665,073	$ 970,591	$ 1,635,664
2021	675,448	956,266	1,631,714
2022	700,826	930,688	1,631,514
2023	721,207	910,657	1,631,864
2024	741,592	890,023	1,631,615
2025 – 2029	4,093,836	4,079,050	8,172,886
2030 – 2034	4,888,936	3,278,503	8,167,439
2035 – 2039	5,908,027	2,233,562	8,141,589
2040 – 2044	6,990,000	915,664	7,905,664
Totals	$ 25,384,945	$ 15,165,004	$ 40,549,949

Dunnellon Utility System

September 30	Principal	Interest	Total Debt Service
2020	$ 179,521	$ 351,507	$ 531,028
2021	183,509	347,519	531,028
2022	189,505	341,523	531,028
2023	194,716	336,312	531,028
2024	200,071	330,957	531,028
2025 – 2029	1,084,152	1,570,988	2,655,140
2030 – 2034	1,242,696	1,415,444	2,658,140
2035 – 2039	1,423,288	1,231,852	2,655,140
2040 – 2044	1,630,131	1,025,009	2,655,140
2045 – 2049	1,866,665	788,475	2,655,140
2050 – 2054	2,138,500	516,640	2,655,140
2055 – 2059	2,449,314	205,834	2,655,148
Totals	$ 12,782,068	$ 8,462,060	$ 21,244,128

(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 Lehigh Acres, which had a contract effective date 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, 2019, to September 30, 2020. With the exception of MacDill AFB, new contracts were entered into effective October 1 or November 1, 2019, and expire on September 30, 2024.

U.S. Water receives an annual fixed fee for services provided to the systems of $24,490,006, 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, 2019 for all services were $38,970,920. At September 30, 2019, amounts payable to U.S. Water totaled $6,671,962.

(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, 2025. 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 $3,863,596, as well as an annual based fixed fee for capital improvement program administrative fees of $1,211,023. 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, 2019 were $6,139,003. At September 30, 2019, amounts payable to GSG totaled $298,289.

(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. In accordance with this agreement, $1,112,125 has been incurred through September 30, 2019. Of this amount, $26,361 was incurred during the year ended September 30, 2019 and offset by a refund of $74,054 for an overpayment in a prior year. Due to the refund, there was no amount payable as of September 30, 2019. 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) when impact fees are paid. As of September 30, 2019, the total amount incurred under this agreement is $221,844. Of this amount, $151,130 was incurred during the year ended September 30, 2019.

(d) **Contracts**—Commitments on outstanding contracts for improvements and maintenance of the Utility Systems totaled $6,376,608 at September 30, 2019.

(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) **Subsequent Events:**

On October 17, 2019, the Authority's Board of Directors authorized the issuance of the Series 2019 Utility Refunding Revenue Bonds for the Pasco Utility System in the amount of $90,050,000 and due October 1, 2040. The bonds were issued on October 31, 2019. Interest will compound monthly on a 30/360 basis. Payments on interest are due semi-annually, beginning on April 1, 2020, at rates ranging from 3.00% to 5.00%. Principal payments in varying amounts are due annually on October 1, 2020 through 2040. The purpose of the Revenue Bonds is to refund the Pasco Utility System Series 2010A Revenue Bonds, which were refunded at the date of issuance of the Series 2019 Revenue Bonds, and to fund certain capital improvements to the Pasco Utility System.

On December 12, 2019, the Authority's Board of Directors approved the execution of an interlocal agreement with Flagler County, Florida to provide utility management and operations services for the Flagler County utility system, encompassing the Beverly Beach, Eagle Lakes, and Plantation Bay utility systems. The interlocal agreement is in effect until February 1, 2021, or will be automatically terminated upon final closing if the Authority assumes ownership of the Flagler County system from the County.

On December 12, 2019, the Authority's Board of Directors approved an approximately $1 million Clean Water State Revolving Fund Loan agreement with the Florida Department of Environmental Protection to fund the replacement of a wastewater treatment plan within the Lake Aqua Utility System. The loan incurs interest at a rate of 0.35% per annum and matures 20 years after execution of the agreement.

On January 16, 2020, the Authority's Board of Directors approved a $3,700,000 grant from the Florida Department of Environmental Protection to fund the design and construction of a new sanitary sewer system and the demolition of existing wastewater treatment facilities within the Dunnellon Utility System. The agreement expires on December 31, 2021.

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 74
- Changes in Net Position 75
- Summary of Ten Largest Single Water Users 76

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 77
- Pledged Revenue Coverage 78 – 79

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 80 – 81
- Principal Employers 82

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 83
- Capital Asset Statistics by Function 84 – 85

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	FISCAL YEAR 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
		(Restated)								
Primary Government										
Business-type activities										
Net Investment in Capital Assets	$ 4,939,605	$ (14,035,110)	$ (6,533,854)	$ (17,013,072)	$ (17,843,579)	$ (17,311,873)	$ (16,569,953)	$ (7,514,336)	$ 4,177,852	$ 14,760,597
Restricted for capital projects	13,652,745	11,925,265	6,330,759	8,110,836	9,906,166	10,785,462	12,586,073	13,339,522	12,841,441	11,203,730
Restricted for debt service	3,978,362	19,055,348	21,685,846	26,687,847	28,105,157	28,574,185	29,626,800	28,779,300	29,712,018	24,936,798
Unrestricted	8,122,236	13,476,660	17,814,769	27,229,511	34,211,857	42,415,307	52,844,021	57,674,936	55,875,628	65,415,936
Total Business Type Activities Net Position	**$ 30,692,948**	**$ 30,422,163**	**$ 39,297,520**	**$ 45,015,122**	**$ 54,379,601**	**$ 64,463,081**	**$ 78,486,941**	**$ 92,279,422**	**$ 102,606,939**	**$ 116,317,061**
Total Primary Government Net Position	**$ 30,692,948**	**$ 30,422,163**	**$ 39,297,520**	**$ 45,015,122**	**$ 54,379,601**	**$ 64,463,081**	**$ 78,486,941**	**$ 92,279,422**	**$ 102,606,939**	**$ 116,317,061**

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)

	FISCAL YEAR									
Description	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
		Restated								
Operating Revenues										
Water and wastewater revenue (1)	$ 34,618,769	$ 50,615,714	$ 55,545,185	$ 66,319,456	$ 72,578,666	$ 76,532,418	$ 80,618,152	$ 82,278,472	$ 79,098,831	$ 79,668,592
Other operating revenues	106,801	97,369	214,781	2,690,929	3,112,652	3,413,729	2,892,330	3,139,205	3,068,435	2,958,735
Special assessments	362	-	-	-	-	-	-	-	-	-
Total operating revenues	**$ 34,725,932**	**$ 50,713,083**	**$ 55,759,966**	**$ 69,010,386**	**$ 75,691,318**	**$ 79,946,147**	**$ 83,510,482**	**$ 85,417,677**	**$ 82,167,266**	**$ 82,627,327**
Operating Expenses										
Operating and management services	$ 15,281,545	$ 20,497,628	$ 22,778,812	$ 31,489,919	$ 35,783,063	$ 36,224,092	$ 37,143,136	$ 38,070,942	$ 37,731,417	$ 39,364,151
Other operating expenses	3,222,587	4,062,030	4,374,611	3,193,505	3,372,047	2,987,500	3,419,725	5,827,897	2,963,117	3,165,283
Depreciation and amortization (2)	10,617,680	14,516,388	13,552,276	16,291,959	17,836,854	18,191,389	18,737,495	19,142,302	18,220,332	19,041,935
Total Operating expenses	**$ 29,121,812**	**$ 39,076,046**	**$ 40,705,699**	**$ 50,975,383**	**$ 56,991,965**	**$ 57,402,981**	**$ 59,300,356**	**$ 63,041,141**	**$ 58,914,866**	**$ 61,571,369**
Operating income (loss)	***$ 5,604,120***	***$ 11,637,037***	***$ 15,054,267***	***$ 18,035,003***	***$ 18,699,353***	***$ 22,543,166***	***$ 24,210,126***	***$ 22,376,536***	***$ 23,252,400***	***$ 21,055,958***
Nonoperating revenues (expenses)										
Miscellaneous (rental, investment, scrap)	$ 2,058,884	$ 214,315	$ -	$ 153,394	$ 1,136,507	$ 979,302	$ 1,050,212	$ 1,419,610	$ 1,949,004	$ 2,440,706
Operating grants	-	-	-	-	-	-	292,386	21,257	75,304	1,184,293
Interest expense (net)	(11,380,492)	(14,250,220)	(15,605,019)	(17,693,700)	(18,120,059)	(18,562,920)	(17,468,033)	(17,132,722)	(15,818,164)	(15,055,753)
Debt issuance costs	-	-	(508,069)	(2,870,865)	-	(621,419)	(153,398)	(293,719)	-	(1,680,973)
Loss on sale of system (transfer of net assets)	-	-	-	-	-	-	-	-	(5,542,888)	-
Total nonoperating revenues (expenses)	**$ (9,321,608)**	**$ (14,035,905)**	**$ (16,113,088)**	**$ (20,411,171)**	**$ (16,983,552)**	**$ (18,205,037)**	**$ (16,278,833)**	**$ (15,985,574)**	**$ (19,336,744)**	**$ (13,111,727)**
Income (loss) before capital contributions	***$ (3,717,488)***	***$ (2,398,868)***	***$ (1,058,821)***	***$ (2,376,169)***	***$ 1,715,801***	***$ 4,338,129***	***$ 7,931,293***	***$ 6,390,962***	***$ 3,915,656***	***$ 7,944,231***
Capital contributions										
Capital grants	$ -	$ 10,715,974	$ 7,220,049	$ 4,172,288	$ 3,653,010	$ 2,916,079	$ 2,977,457	$ 3,503,097	$ 1,498,706	$ 691,546
Recoverable portion of purchase price	-	888,426	1,523,016	1,523,016	1,523,016	1,523,016	1,528,480	1,539,409	1,539,409	1,539,409
Impact fees and Developer contributions	7,166,457	776,181	1,191,113	2,398,466	2,472,649	1,306,256	1,586,630	2,359,013	3,373,746	3,534,936
Total capital contributions	***$ 7,166,457***	***$ 12,380,581***	***$ 9,934,178***	***$ 8,093,771***	***$ 7,648,674***	***$ 5,745,351***	***$ 6,092,567***	***$ 7,401,519***	***$ 6,411,861***	***$ 5,765,891***
Increase (decrease) in net position	**$ 3,448,969**	**$ 9,981,713**	**$ 8,875,357**	**$ 5,717,602**	**$ 9,364,475**	**$ 10,083,480**	**$ 14,023,860**	**$ 13,792,481**	**$ 10,327,517**	**$ 13,710,122**
Net position, beginning of year	27,243,975	20,440,450	30,422,163	39,297,520	45,015,122	54,379,601	64,463,081	78,486,941	92,279,422	102,606,939
Net position, end of year	**$ 30,692,948**	**$ 30,422,163**	**$ 39,297,520**	**$ 45,015,122**	**$ 54,379,601**	**$ 64,463,081**	**$ 78,486,941**	**$ 92,279,422**	**$ 102,606,939**	**$ 116,317,061**

Notes:
(1) Water and wastewater revenue is net of bad debt.
(2) Depreciation and amortization for system assets and goodwill.

Florida Governmental Utility Authority
Summary of Top Ten Customers (Based on Sales Revenue)
September 30, 2019

System	Sales Revenue	% of Total Sales Revenue
LEHIGH ACRES		
LEHIGH REGIONAL MED CENTER	$ 162,276	1.10%
VETERANS PARK ELEMENTARY	150,632	1.02%
WALMART STORES	72,007	0.49%
STONE CREST RETAIL CENTER	66,511	0.45%
FOUNTAIN CREST RETIREMENT	57,003	0.39%
EAST LEE COUNTY HIGH SCHOOL	51,612	0.35%
MICROTEL INN & SUITES	49,749	0.34%
HOPE HOSPICE	49,297	0.33%
TORTUGA PRESERVE ELEMENTARY SCHOOL	47,018	0.32%
MAJESTIC GOLF CLUB, LLC	46,720	0.32%
TOTAL	**$ 752,825**	**5.05%**
PASCO		
BCM TRINITY, LLC	$ 200,662	1.04%
HOLIDAY PROPERTY HOLDINGS, LLC	183,522	0.95%
PALMS AT WYNDTREE	147,917	0.76%
HOLIDAY HOTEL AND RESORT LLC	99,190	0.51%
PARK AT WELLINGTON APARTMENTS	94,651	0.49%
TANDEM HEALTH CARE	94,408	0.49%
DISTRICT SCHOOL BOARD PASCO	94,008	0.48%
VIVA VILLA MAINTENANCE CORP.	89,924	0.46%
WAL-MART STORE, INC. #01-994	86,420	0.45%
PRESS	82,627	0.43%
TOTAL	**$ 1,173,329**	**6.05%**
PASCO AQUA		
ARLAND CAR WASH, LLC +++	$ 43,168	1.26%
COTTAGE COURT APARTMENTS	19,311	0.56%
AAA	13,150	0.38%
SYBRA INC #1310	7,681	0.22%
SUNSHINE INVESTMENT	7,359	0.22%
APOSTOLOU-BERSET LLC.	6,436	0.19%
SERGIOS REST	5,211	0.15%
AMERICAN CONDOMINIUM PARKS, INC	4,642	0.14%
U-HAUL CO. OF CLEARWATER	4,577	0.13%
JASMINE LAKES CIVIC ASSN	3,157	0.09%
TOTAL	**$ 114,692**	**3.35%**
UNIFIED AQUA		
SOUTH SEAS RESORT	$ 393,054	5.06%
BFI WASTE SYSTEMS OF N A	108,806	1.40%
FLORIDA REFUSE SERVICE INC	104,744	1.35%
BEACH HOMES CONDO	61,540	0.79%
BAYSIDE VILLAS CONDO	58,568	0.75%
BEACH VILLAS III CONDO	56,199	0.72%
TENNIS VILLAS	49,500	0.64%
SUNSET BEACH VILLAS	43,986	0.57%
BERSONN LLC	37,762	0.49%
UNITED PARCEL SERVICE	37,237	0.48%
TOTAL	**$ 951,397**	**12.25%**
DUNNELLON		
DUNNELLON SQUARE MHP	$ 79,423	2.76%
WAL-MART STORE EAST LP	36,574	1.27%
DUNNELLON LAUNDROMAT INC.	24,148	0.84%
ROLLING HILLS APTS	22,438	0.78%
DINNER BELL MOTEL	21,686	0.75%
DUNNELLON MIDDLE SCHOOL	21,515	0.75%
JAE RESTAURANT HOLDING LLC	19,805	0.69%
WINN DIXIE STORES	19,755	0.69%
RAINBOW GARDENS APTS	19,632	0.68%
SWAMPY'S	18,061	0.63%
TOTAL	**$ 283,037**	**9.83%**

System	Sales Revenue	% of Total Sales Revenue
CONSOLIDATED		
PARADISE LAKES CONDO. ASSOC.	$ 237,085	3.86%
NORTHLAND TERRA BELLA LLC	166,468	2.71%
THE TERRACES @ PL CONDO ASSOC	53,020	0.86%
NORTH BAY S.R. 54 FACILITY	49,912	0.81%
WALMART STORES EAST, LP	47,125	0.77%
DENHAM OAKS ELEMENTARY	37,537	0.61%
TERRA BELLA ONE, LLC	33,531	0.55%
GULFSIDE ELEMENTARY	32,140	0.52%
THE FOUNTAINS AT PARADISE LAKE	31,277	0.51%
DBA MADIGAN DIALYSIS, LLC	25,152	0.41%
TOTAL	**$ 713,248**	**11.63%**
LINDRICK		
GULF HARBORS CONDO	$ 297,325	6.81%
NEW PORT COLONY	123,877	2.84%
LANDINGS OF ST ANDREWS	99,285	2.27%
LANDINGS AT SEA FOREST	97,747	2.24%
SEAVIEW PLACE CONDOMINIUMS	82,244	1.88%
SEA CASTLE CONDO	67,393	1.54%
HARBOR VILLAS CONDO	64,334	1.47%
HEATHER COVE	50,011	1.15%
HOLIDAY HARBOR	35,834	0.82%
WINDWARD COVE CONDO	31,565	0.72%
TOTAL	**$ 949,614**	**21.75%**
NORTH FORT MYERS		
LEE COUNTY BOCC - UTILITIES	$ 1,635,267	13.49%
EQUITY LIFESTYLE PROPERTIES, INC	768,640	6.34%
ISLAND VISTA ESTATES LLC	328,074	2.71%
CITY OF CAPE CORAL	277,026	2.29%
MHC WINDMILL VILLAGE	275,704	2.27%
SIX LAKES COUNTRY CLUB IN	245,128	2.02%
COLONY MOBILE HOME PARK	174,380	1.44%
PIONEER VILLAGE	154,407	1.27%
SERENDIPITY MOBIL HOME PARK	154,351	1.27%
FOUNTAIN VIEW RV	93,239	0.77%
TOTAL	**$ 4,106,217**	**33.88%**
LAKE AQUA		
CIRCLE K STORES INC.	$ 106,095	2.66%
SUMMIT CHASE VILLAS HOMEOWNERS	35,609	0.89%
MHC OPERATING LP	20,387	0.51%
BILL BRYAN CHRYSLER-PLYMOUTH	16,620	0.42%
FREO FLORIDA LLC	10,446	0.26%
SARMIENTO	7,622	0.19%
MUNN SALES SERVICE INC	7,424	0.19%
NY DELI N DINER	6,152	0.15%
FRANCIS	6,060	0.15%
MUNN	5,281	0.13%
TOTAL	**$ 221,696**	**5.56%**

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

Fiscal Year	Business-Type Activities: Water & Wastewater Revenue Bonds (1)	Business-Type Activities: Other Debt (2)	Business-Type Activities: Capital Leases	Total Primary Government	Percentage of Personal Income	Per Utility Customer
2010	318,791,223	9,564,794	-	328,356,017	na	4,124
2011	344,407,303	3,003,105	-	347,410,408	na	4,324
2012	343,236,487	7,644,540	-	350,881,027	na	4,026
2013	439,935,695	7,282,125	1,586,568	448,804,388	na	4,138
2014	400,058,455	6,964,979	1,427,343	408,450,777	na	3,727
2015	414,168,446	6,792,943	1,264,498	422,225,887	na	3,779
2016	384,592,719	21,858,940	1,097,951	407,549,610	na	3,580
2017	374,102,445	21,670,088	927,617	396,700,150	na	3,051
2018	329,662,314	18,726,866	753,413	349,142,593	na	3,201
2019	320,518,985	32,160,855	575,247	353,255,087	na	3,044

Notes: (1) Net of Premiums and Discounts

(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.

Reconciliation to Note 7:

2019 Debt from Note 7

Secured by pledged water and wastewater revenues:		Exclude	Total Primary Government
Bonds (1)	320,518,985		320,518,985
Seller-Financed Notes (2)	5,000,000		5,000,000
State Revolving Loans (2)	2,057,687		2,057,687
USDA Loans	12,782,068		12,782,068
Secured by other (county bonds, assets, etc)		**Exclude**	**Total Primary Government**
Capital Leases	575,247		575,247
MacDill AFB Seller-Financed Note (2)	12,701,374	(12,701,374)	-
Notes Payable (SunTrust) (2)	12,321,100		12,321,100
	365,956,461	**(12,701,374)**	**353,255,087**

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
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	-	-	-	-
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	-	-	-	-

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

Fiscal Year	Name of System	Debt Secured by Pledged Revenue: Water, Wastewater and Other Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service: Principal	Debt Service: Interest (3)	Coverage	Special Assessment Bonds: Special Assessment	Debt Service: Principal	Debt Service: Interest	Coverage
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	-	-	-	-
2017											
	Golden Gate	7,867,051	3,485,903	4,381,148	1,207,230	1,539,704	1.59	-	-	-	-
	Lehigh Acres	14,409,858	7,412,205	6,997,652	1,945,000	2,650,888	1.52	-	-	-	-
	Pasco Systems	20,213,042	9,914,760	10,298,282	2,985,000	4,687,962	1.34	-	-	-	-
	Consolidated	6,434,682	2,831,146	3,603,536	630,000	1,099,288	2.08	-	-	-	-
	Lindrick	4,312,760	2,179,681	2,133,079	520,000	1,151,337	1.28	-	-	-	-
	North Fort Myers	11,989,442	6,196,581	5,792,861	1,355,000	2,664,631	1.44	-	-	-	-
	Lake Aqua	3,806,091	2,381,773	1,424,318	375,000	731,132	1.29	-	-	-	-
	Pasco Aqua	3,946,897	1,662,829	2,284,068	410,000	823,226	1.85	-	-	-	-
	Unified Aqua	7,617,176	5,372,097	2,245,079	590,000	993,357	1.42	-	-	-	-
	Total	$80,596,999	$41,436,975	$39,160,023	$10,017,230	$16,341,525	1.49	-	-	-	-
2018											
	Golden Gate	3,824,425	1,413,631	2,410,794	524,062	622,160	2.10	-	-	-	-
	Lehigh Acres	15,744,366	6,956,425	8,787,941	2,100,000	2,313,984	1.99	-	-	-	-
	Pasco Systems	20,043,415	10,295,915	9,747,500	3,070,000	4,593,903	1.27	-	-	-	-
	Consolidated	5,925,043	2,926,624	2,998,419	635,000	1,097,263	1.73	-	-	-	-
	Lindrick	4,678,151	2,547,174	2,130,977	540,000	1,126,299	1.28	-	-	-	-
	North Fort Myers	12,540,966	5,521,162	7,019,805	1,420,000	2,616,762	1.74	-	-	-	-
	Lake Aqua	3,874,662	2,246,109	1,628,553	385,000	723,632	1.47	-	-	-	-
	Pasco Aqua	3,219,255	1,673,697	1,545,558	425,000	810,926	1.25	-	-	-	-
	Unified Aqua	7,523,956	4,392,694	3,131,262	605,000	975,657	1.98	-	-	-	-
	Total	$77,374,239	$37,973,431	$39,400,808	$9,704,062	$14,880,587	1.60	-	-	-	-
2019											
	Lehigh Acres	15,892,892	7,409,592	8,483,300	2,180,000	2,241,919	1.92	-	-	-	-
	Pasco Systems	20,685,334	10,482,609	10,202,725	3,160,000	4,490,068	1.33	-	-	-	-
	Consolidated	6,720,970	3,060,117	3,660,853	640,000	1,094,888	2.11	-	-	-	-
	Lindrick	4,738,054	2,621,572	2,116,482	587,500	985,845	1.35	-	-	-	-
	North Fort Myers	12,414,720	5,613,514	6,801,206	1,495,000	2,527,989	1.69	-	-	-	-
	Lake Aqua	4,207,501	2,318,983	1,888,518	392,492	716,629	1.70	-	-	-	-
	Pasco Aqua	3,731,735	1,746,484	1,985,252	435,000	798,176	1.61	-	-	-	-
	Unified Aqua	8,311,233	4,800,077	3,511,156	657,390	969,464	2.16	-	-	-	-
	Dunnellon	2,974,076	1,702,990	1,271,087	179,522	351,507	2.39	-	-	-	-
	Total	$79,676,516	$39,755,938	$39,920,578	$9,726,904	$14,176,485	1.67	-	-	-	-

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.

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
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	42.7	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	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**				
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**				

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

		Estimated population served	Per Capita Personal Income	Median Age		School Enrollment	Unemployment Rate
2016							
	Golden Gate	20,968	84,721	64.0		45,995	4.9
	Lehigh Acres	665,845	48,453	46.2		92,780	5.1
	Pasco Systems	487,588	33,795	44.1		70,169	6.0
	Consolidated Systems	See Pasco System	33,795	44.1		70,169	6.0
	Lindrick Systems	See Pasco System	33,795	44.1		70,169	6.0
	NFMU Systems	See Lehigh System	48,453	46.2		92,780	5.1
	Lake Aqua	325,875	37,698	46.8		42,000	5.2
	Pasco Aqua	See Pasco System	33,795	44.1		70,169	6.0
	Unified Aqua	472,387	36,512	38.1		68,879	5.5
	Total	**1,972,663**					
2017							
	Golden Gate	21,898	88,068	64.6		47,225	4.8
	Lehigh Acres	680,578	44,583	46.3		91,222	4.7
	Pasco Systems	495,868	36,336	44.1		69,813	5.1
	Consolidated Systems	See Pasco System	36,336	44.1		69,813	5.1
	Lindrick Systems	See Pasco System	36,336	44.1		69,813	5.1
	NFMU Systems	See Lehigh System	44,583	46.3		91,222	4.7
	Lake Aqua	335,396	38,266	46.9		41,864	4.8
	Pasco Aqua	See Pasco System	36,336	44.1		69,813	5.1
	Unified Aqua	479,261	34,218	43.0		54,737	5.0
	Total	**2,013,001**					
2018							
	Golden Gate	22,041	89,862	65.0		49,393	3.9
(1)	Lehigh Acres	698,468	48,537	46.9		92,590	3.6
(2)	Pasco Systems	505,709	37,572	44.2		72,493	5.2
(2)	Consolidated Systems	See Pasco System	37,572	44.2		72,493	5.2
(2)	Lindrick Systems	See Pasco System	37,572	44.2		72,493	5.2
(1)	NFMU Systems	See Lehigh System	48,537	46.9		92,590	3.6
(3)	Lake Aqua	335,396	38,266	46.7	(6)	42,643	3.4
(2)	Pasco Aqua	See Pasco System	37,572	44.2		72,493	5.2
(4)	Unified Aqua	488,556	39,237	38.5	(5)	70,892	3.7
	Total	**2,050,170**					
2019							
(1)	Lehigh Acres	713,903	50,390	47.8		93,167	2.9
(2)	Pasco Systems	515,077	39,710	44.2		73,645	4.4
(2)	Consolidated Systems	See Pasco System	39,710	44.2		73,645	4.4
(2)	Lindrick Systems	See Pasco System	39,710	44.2		73,645	4.4
(1)	NFMU Systems	See Lehigh System	50,390	47.8		93,167	2.9
(3)	Lake Aqua	346,017	40,541	47.3	(6)	43,409	2.9
(2)	Pasco Aqua	See Pasco System	39,710	44.2		73,645	4.4
(4)	Unified Aqua	496,829	39,946	39.2	(5)	71,428	3.2
(4)	Dunnellon	See Unified Aqua System	39,946	39.2		71,428	3.2
	Total	**2,071,826**					

Data Sources:

(1) Lee County FY2018 CAFR. Information for Lehigh Acres and NFMU System data is not specific to the service area. Information reflects the Lee County data.

(2) Pasco County FY2018 CAFR. Information for Pasco, Consolidated, Lindrick and Aqua Pasco data is not specific to the service area. Information reflects the Pasco County data.

(3) Lake County FY2018 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.

(4) Seminole, Marion, and Polk County FY2018 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.

(5) Seminole County FY2018 CAFR. Median Age information available for Seminole County only.

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

Florida Governmental Utility Authority
Principal Employers
Last Four Fiscal Years

Employer	2019 Employees	2019 Rank	2019 Percentage of total County Employment	2018 Employees	2018 Rank	2018 Percentage of total County Employment	2017 Employees	2017 Rank	2017 Percentage of total County Employment	2016 Employees	2016 Rank	2016 Percentage of total County Employment
Lehigh Acres and North Fort Myers Utility Systems (1)												
Lee Memorial Health System	13,257	1	4.0%	13,257	1	4.0%	11,800	1	3.7%	10,900	1	3.5%
Lee County School District	11,561	2	3.5%	11,561	2	3.5%	11,000	2	3.5%	10,600	2	3.4%
Publix Super Markets	4,613	3	1.4%	4,613	3	1.4%	5,100	3	1.6%	5,007	3	1.6%
Wal-Mart Corporation	3,550	4	1.1%	3,550	4	1.1%	3,146	5	1.0%	2,507	5	0.8%
Lee County Administration (Government)	2,387	5	0.7%	2,387	5	0.7%	4,955	4	1.6%	2,584	4	0.8%
Lee County Sheriff's Office	1,558	7	0.5%	1,558	7	0.5%	1,543	8	0.5%	1,585	9	0.5%
City of Cape Coral	1,350	6	0.4%	1,350	6	0.4%	1,800	6	0.6%	1,654	7	0.5%
Florida Gulf Coast University	1,350	9	0.4%	1,350	9	0.4%	1,253	10	0.4%			
Chico's FAS, Inc	1,147	8	0.4%	1,147	8	0.4%	1,426	9	0.5%	1,642	8	0.5%
Home Depot	1,072	10	0.4%	1,072	10	0.4%				1,783	6	0.6%
Bonita Bay Group							1,561	7	0.5%			
U.S. Postal Service										1,477	10	0.5%
Estimated Other Employers	285,837		87.2%	285,837		87.2%	271,329		86.2%	269,514		87.2%
Total	**327,682**		**100.0%**	**327,682**		**100.0%**	**314,913**		**100.0%**	**309,253**		**100.0%**
Pasco, Consolidated, Lindrick and Pasco Aqua Utility Systems (2)												
Pasco County School District	10,215	1	8.5%	10,728	1	5.4%	10,344	1	5.2%	9,713	1	4.9%
Pasco County Government	3,851	2	3.2%	2,895	2	1.5%	2,795	2	1.4%	2,730	2	1.4%
HCA Health Services of Florida (Regional Medical Center Bayonet Point, Medical Center of Trinity fka Community Hospital)	2,675	3	2.2%	2,825	3	1.4%	2,794	3	1.4%	2,597	3	1.3%
Florida Medical Clinic	1,985	4	1.7%	1,710	4	0.9%	982	9	0.5%			
Medical Center of Trinity	1,762	5	1.5%	1,400	5	0.7%						
Pasco County Sheriff	1,372	7	1.1%	1,253	7	0.6%	1,219	5	0.6%	1,189	5	0.6%
State of Florida Government	1,300	6	1.1%	1,215	6	0.6%	1,225	4	0.6%	1,211	4	0.6%
Morton Plant North Bay Hospital	1,152	9	1.0%	1,051	9	0.5%	985	8	0.5%	873	6	0.4%
Florida Hospital Wesley Chapel	1,052	8	0.9%	1,050	8	0.5%	915	10	0.5%	750	8	0.4%
Florida Hospital Zephyrhills	966	10	0.8%	962	10	0.5%				847	7	0.4%
Community Hospital							1,056	6	0.5%	726	9	0.4%
Reginal Medical Center Bayonet Point							1,012	7	0.5%			
Sadedlebrook Resort										724	10	0.4%
Pasco-Hernando Community College												
Estimated Other Employers	93,734		78.1%	174,030		87.4%	175,979		88.3%	178,080		89.3%
Total	**120,064**		**100.0%**	**199,119**		**100.0%**	**199,306**		**100.0%**	**199,440**		**100.0%**
Lake Aqua Utility System (3)												
Lake County Public Schools	5,435	1	3.6%	5,435	1	3.7%	5,435	1	3.9%	5,435	1	4.1%
Lake County Government	1,844	2	1.2%	1,794	4	1.2%	1,785	4	1.3%	1,782	3	1.3%
Leesburg Regional Medical	1,826	3	1.2%	1,826	3	1.3%	1,826	3	1.3%	1,826	2	1.4%
Florida Hospital Waterman	1,482	4	1.0%	1,482	5	1.0%	1,482	5	1.1%	1,482	4	1.1%
Southlake Hospital, Inc.	1,143	5	0.8%	1,143	6	0.8%	1,143	6	0.8%	1,143	5	0.9%
Villages of Lake-Sumter, Inc.	1,120	6	0.7%	1,120	7	0.8%	1,120	7	0.8%	1,120	6	0.8%
Lake Port Square	500	7	0.3%							500	7	0.4%
Lifestream Behavioral Center	500	8	0.3%							500	7	0.4%
Dura-Stress, Inc.	425	9	0.3%	425	10	0.3%	425	10	0.3%	425	8	0.3%
Hewitt Contracting Company, Inc.	370	10	0.2%							370	9	0.3%
Embarq (formerly Sprint)										370	9	0.3%
Casmin Incorporated				2,686	2	1.8%	2,686	2	1.9%			
G & T Conveyor Company				700	8	0.5%	700	8	0.5%			
Bailey Industries				520	9	0.4%	520	9	0.4%			
Estimated Other Employers	137,907		90.4%	128,903		88.3%	122,406		87.7%	119,063		88.8%
Total	**152,552**		**100.0%**	**146,034**		**100.0%**	**139,528**		**100.0%**	**134,016**		**100.0%**
Unified Aqua and Dunnellon Utility Systems (4)												
Polk County School Board	13,238	1	1.9%	13,061	1	1.9%	13,067	1	2.2%	13,135	1	2.0%
Publix Supermarkets (Polk & Marion)	13,209	2	1.9%	9,688	2	1.4%	11,737	2	2.0%	11,737	2	1.8%
Seminole County Public Schools	7,663	3	1.1%	6,797	4	1.0%	10,000	3	1.7%	7,687	4	1.2%
Walmart (Polk & Marion)	7,500	4	1.1%	7,470	3	1.1%	8,608	4	1.4%	8,608	3	1.3%
Marion County Public Schools	6,650	5	1.0%	6,650	5	1.0%	6,070	5	1.0%	6,070	5	0.9%
Lakeland Regional Medical Center	5,605	6	0.8%	5,000	6	0.7%	4,499	6	0.7%	4,499	6	0.7%
Polk County Government	4,484	7	0.6%	4,493	7	0.7%	4,493	7	0.7%	4,472	7	0.7%
Florida Hospital Ocala	2,648	8	0.4%	4,000	8	0.6%	4,000	8	0.7%	3,500	8	0.5%
State of Florida (All Depts.) (Marion)	2,600	9	0.4%	2,800	9	0.4%						
Ocala Regional Health System	2,400	10	0.3%	2,648	10	0.4%	2,648	9	0.4%	2,648	10	0.4%
City of Lakeland							2,567	10	0.4%			
Geico										3,063	9	0.5%
Central Florida Regional Hospital												
Winter Haven Hospital												
Consulate Health Care LLC												
Estimated Other Employers	627,809		90.5%	609,879		90.7%	533,844		88.7%	584,445		89.9%
Total	**693,806**		**100.0%**	**672,486**		**100.0%**	**601,533**		**100.0%**	**649,864**		**100.0%**

(1) Lee County FY2018 CAFR
Note: Employer Statistical Information is not available for the specific service area. Information provided is for all of Lee County.
(2) Pasco County FY2018 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.
(3) Lake County FY2018 CAFR
Note: Employer Statistical Information is not available for the specific service area. Information provided is for all of Lake County.
(4) Seminole County FY2018 CAFR, Polk County FY2018 CAFR, and Marion County FY2018 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 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Water											
Golden Gate (6)	New Connections	13	13	(78)	68	(46)	6	(6)	41	(3,681)	-
	Average Daily Flow (mgpd)*	1.38	1.427	1.626	1.284	1.374	1.54	1.516	1.505	1.535	-
Lehigh Acres	New Connections	60	46	(488)	3	67	44	93	120	181	322
	Average Daily Flow (mgpd)*	2.105	2.199	2.203	2.01	2.051	2.249	2.27	2.33	2.362	2.306
Pasco (1)	New Connections	(192)	236	446	213	102	2,022	46	37	16	44
	Average Daily Flow (mgpd)*	3.28	3.009	3.283	3.119	2.996	2.879	3.018	3.211	2.933	2.899
Consolidated (2)	New Connections	2,358	20	3,596	122	267	53	58	78	84	7
	Average Daily Flow (mgpd)*	0.382	0.360	1.285	1.202	1.081	1.181	1.283	1.360	1.345	1.374
Lindrick	New Connections	2,766	59	(7)	10	250	(4)	15	6	11	46
	Average Daily Flow (mgpd)*	0.704	0.658	0.630	0.653	0.597	0.569	0.566	0.669	0.584	0.646
MacDill AFB	New Connections	1	-	-	-	-	-	-	-	-	-
	Average Daily Flow (mgpd)*	-	1.200	0.977	0.988	0.903	0.856	0.762	0.811	0.807	0.793
North Fort Myers (3)	New Connections	1,839	10	-	-	(8)	13	(1)	2	-	(8)
	Average Daily Flow (mgpd)*	0.131	0.077	0.0825	0.086	0.094	0.091	0.083	0.076	0.093	0.099
Lake Aqua	New Connections	-	-	-	4,778	20	(168)	410	21	(3)	(1)
	Average Daily Flow (mgpd)*	-	-	-	0.832	0.793	0.778	0.853	0.904	0.864	0.966
Pasco Aqua	New Connections	-	-	-	2,886	(63)	28	421	-	-	(3)
	Average Daily Flow (mgpd)*	-	-	-	0.237	0.337	0.373	0.377	0.395	0.401	0.475
Unified Aqua	New Connections	-	-	-	-	-	-	-	34	16	21
	Average Daily Flow (mgpd)*	-	-	-	1.483	1.470	1.492	1.432	1.572	1.461	1.421
Dunnellon	New Connections	-	-	-	-	-	-	-	-	-	3,485
	Average Daily Flow (mgpd)*	-	-	-	-	-	-	-	-	-	1
Total	New Connections	6,845	384	3,469	8,080	589	1,994	1,036	339	(3,376)	3,913
	Average Daily Flow (mgpd)*	7.982	8.930	10.087	11.894	11.696	12.008	12.160	12.833	12.385	12.023
Wastewater											
Golden Gate	New Connections	1	-	(20)	30	(31)	(11)	(4)	13	(2,283)	-
	Average Daily Flow (mgpd)*	1.025	0.863	1.113	1.171	1.08	1.113	1.104	1.079	1.106	-
Lehigh Acres	New Connections	89	45	(135)	(18)	36	71	69	131	187	303
	Average Daily Flow (mgpd)*	2.044	1.429	1.446	2.002	1.707	1.92	2.156	1.955	2.011	2.294
Pasco (1)	New Connections	(153)	178	420	237	73	(31)	49	27	16	31
	Average Daily Flow (mgpd)*	1.670	1.750	1.891	1.747	1.596	1.674	1.574	1.780	1.779	1.842
Consolidated (2) (5)	New Connections	-	-	3,037	70	214	(13)	29	39	44	7
	Average Daily Flow (mgpd)*	-	-	0.018	0.014	0.017	0.021	0.02	0.02	0.024	0.023
Lindrick	New Connections	2,508	42	(9)	27	9	(5)	14	11	16	39
	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	0.488	0.524	0.646
North Fort Myers (4)	New Connections	11,650	86	46	46	29	86	(28)	34	3	85
	Average Daily Flow (mgpd)*	2.097	1.963	1.867	2.983	2.711	3.148	3.815	3.367	2.963	3.224
Lake Aqua	New Connections	-	-	-	1,164	(2)	(2)	83	5	6	-
	Average Daily Flow (mgpd)*	-	-	-	0.125	0.147	0.154	0.152	0.150	0.169	0.156
Pasco Aqua	New Connections	-	-	-	2,742	(77)	31	410	(1)	1	(2)
	Average Daily Flow (mgpd)*	-	-	-	0.261	0.282	0.347	0.308	0.302	0.341	0.390
Unified Aqua	New Connections	-	-	-	-	-	-	-	-	4	1
	Average Daily Flow (mgpd)*	-	-	-	0.446	0.495	0.463	0.421	0.448	0.458	0.413
Dunnellon	New Connections	-	-	-	-	-	-	-	-	-	2,579
	Average Daily Flow (mgpd)*	-	-	-	-	-	-	-	-	-	0.33
Total	New Connections	14,096	351	3,339	4,298	251	126	622	259	(2,006)	3,043
	Average Daily Flow (mgpd)*	6.836	6.605	6.748	9.170	8.501	9.417	10.099	9.589	9.375	9.322

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 Aloha Gardens and Seven Springs service areas are combined for Financial reporting purposes and called the Pasco Utility Systems.
(2) The Consolidated System is comprised of thirteen small service areas.
(3) Flows reported for Lake Fairways only.
(4) The North Fort Myers wastewater treatment is comprised of 2 treatment plants.
(5) Flows reported for Linda Lakes WWTP only.
(6) Partial Year Average Daily Flow for FY 18 (Oct 17 - Jan 18)

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

			Fiscal Year									
		Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Water												
	Golden Gate	Number of customer accounts	3,683	3,696	3,618	3,686	3,640	3,646	3,640	3,681	-	-
		Water mains (miles)	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	-	-
	Lehigh Acres	Number of customer accounts	12,820	12,866	12,378	12,381	12,448	12,492	12,585	12,705	12,886	13,208
		Water mains (miles)	196	196	196	196	196	196	196	196	217	217
		Water treatment plant capacity (mgpd)*	4.100	4.100	4.100	3.100	3.100	3.100	3.100	3.100	3.100	3.100
	Pasco Systems	Number of customer accounts	15,004	15,240	15,686	15,899	16,001	18,023	18,069	18,106	18,138	18,182
		Water mains (miles)	144	144	144	144	144	144	144	144	185	185
		Water treatment plant capacity (mgpd)*++++	3.125	2.900	2.900	2.900	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	6,552	6,636	6,643
		Water mains (miles)	24	24	36	36	36	36	36	36	75	75
		Water treatment plant capacity (mgpd)*	0.550	0.550	1.627	1.627	1.430	1.388	1.388	1.388	1.388	1.388
	Lindrick	Number of customer accounts	2,766	2,825	2,818	2,828	3,078	3,074	3,089	3,095	3,106	3,152
		Water mains (miles)	-	-	-	-	-	-	-	-	39	39
		Water treatment plant capacity (mgpd)*+++++	0.870	0.870	0.870	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	1	1	1
		Water mains (miles)	-	94	94	94	94	94	94	94	94	94
		Water treatment plant capacity (mgpd)+	-	5.000	5.000	5.000	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	1,854	1,853	1,855	1,855	1,847
		Water mains (miles)	24	24	24	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	0.101	0.101	0.101
	Lake Aqua	Number of customer accounts	-	-	-	4,778	4,798	4,630	5,040	5,061	5,058	5,057
		Water mains (miles)	-	-	-	-	-	-	-	-	75	75
		Water treatment plant capacity (mgpd)*	-	-	-	1.693	1.693	1.697	1.818	1.818	1.818	1.818
	Pasco Aqua	Number of customer accounts	-	-	-	2,886	2,823	2,851	3,272	3,272	3,272	3,269
		Water mains (miles)	-	-	-	-	-	-	-	-	-	-
		Water treatment plant capacity (mgpd)*	-	-	-	0.328	0.347	0.347	0.347	0.354	0.354	0.354
	Unified Aqua	Number of customer accounts	-	-	-	7,106	7,289	7,338	7,702	7,736	7,752	7,773
		Water mains (miles)	-	-	-	-	-	-	-	-	-	-
		Water treatment plant capacity (mgpd)*	-	-	-	3.929	3.929	3.927	3.651	3.633	3.633	3.532
	Dunnellon	Number of customer accounts	-	-	-	-	-	-	-	-	-	3,485
		Water mains (miles)	-	-	-	-	-	-	-	-	-	65
		Water treatment plant capacity (mgpd)*	-	-	-	-	-	-	-	-	-	1.134
	Total	Number of customer accounts	38,471	38,855	42,324	57,510	58,282	60,325	61,725	62,064	58,704	62,617
		Water mains (miles)	432.0	526.4	538.4	538.4	538.0	538.0	538.0	538.0	709.3	774.3
		Water treatment plant capacity (mgpd)*	10.845	15.620	16.697	21.647	21.469	21.429	21.274	21.263	19.164	20.197

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

Function		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Wastewater											
Golden Gate	Number of customer accounts	2,306	2,306	2,286	2,316	2,285	2,274	2,270	2,283	-	-
	Force mains (miles)	14	14	14	14	14	14	14	14	-	-
	Gravity sewer mains (miles)	23	23	23	23	23	23	23	23	-	-
	Wastewater treatment plant capacity (mgpd)*	1.250	1.250	1.500	1.500	1.500	1.500	1.500	1.500	-	-
Lehigh Acres	Number of customer accounts	10,276	10,321	10,186	10,168	10,204	10,275	10,344	10,475	10,662	10,965
	Force mains (miles)	49	49	49	49	49	49	49	49	59	59
	Gravity sewer mains (miles)	103	103	103	103	103	103	103	103	107	107
	Wastewater treatment plant capacity (mgpd)*	2.300	2.300	3.500	3.500	3.000	3.000	3.000	3.000	3.000	2.760
Pasco Systems	Number of customer accounts	14,402	14,580	15,000	15,237	15,310	15,279	15,328	15,355	15,371	15,402
	Force mains (miles)	-	-	-	-	-	-	-	-	33.1	33.1
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	111.6	111.6
	Wastewater treatment plant capacity (mgpd)*	2.10	2.10	2.10	2.50	2.50	2.50	2.50	2.50	2.50	2.90
Consolidated	Number of customer accounts	-	-	3,037	3,107	3,321	3,308	3,337	3,376	3,420	3,427
	Force mains (miles)	-	-	-	-	-	-	-	-	5.4	5.4
	Gravity sewer mains (miles)	-	-	20	20	20	20	20	20	25	25
	Wastewater treatment plant capacity (mgpd)*	-	-	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Lindrick	Number of customer accounts	2,508	2,550	2,541	2,568	2,577	2,572	2,586	2,597	2,613	2,652
	Force mains (miles)	-	-	-	-	-	-	-	-	4.7	4.7
	Gravity sewer mains (miles)	26	26	26	26	26	26	26	26	22	22
	Wastewater treatment plant capacity (mgpd)*++	0.85	0.85	0.85	0.70	0.70	0.70	0.70	0.70	0.70	0.70
MacDill AFB	Number of customer accounts	1	1	1	1	1	1	1	1	1	1
	Force mains (miles)	-	10.83	10.83	10.83	10.83	10.83	10.83	10.83	10.83	10.83
	Gravity sewer mains (miles)	-	23.04	23.04	23.04	23.04	23.04	23.04	23.04	23.04	23.04
	Wastewater treatment plant capacity (mgpd)*	-	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
North Fort Myers	Number of customer accounts	11,650	11,736	11,782	11,828	11,857	11,943	11,915	11,949	11,952	12,037
	Force mains (miles)	-	-	-	-	-	-	-	-	65.10	65.10
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	62.40	62.40
	Wastewater treatment plant capacity (mgpd)*+++	3.80	3.80	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55
Lake Aqua	Number of customer accounts	-	-	-	1,164	1,162	1,160	1,243	1,248	1,254	1,254
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*	-	-	-	0.345	0.345	0.345	0.345	0.345	0.345	0.345
Pasco Aqua	Number of customer accounts	-	-	-	2,742	2,665	2,696	3,106	3,105	3,106	3,104
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*	-	-	-	0.438	0.438	0.438	0.438	0.438	0.438	0.438
Unified Aqua	Number of customer accounts	-	-	-	1,824	1,938	1,907	1,992	1,992	1,996	1,997
	Force mains (miles)	-	-	-	-	-	-	-	-	-	-
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	-	-
	Wastewater treatment plant capacity (mgpd)*	-	-	-	0.741	0.741	0.724	0.766	0.766	0.671	0.671
Dunnellon	Number of customer accounts	-	-	-	-	-	-	-	-	-	2,579
	Force mains (miles)	-	-	-	-	-	-	-	-	-	13.00
	Gravity sewer mains (miles)	-	-	-	-	-	-	-	-	-	46.00
	Wastewater treatment plant capacity (mgpd)	-	-	-	-	-	-	-	-	-	0.67
Total	Number of customer accounts	41,143	41,494	44,833	50,955	51,320	51,415	52,122	52,381	50,375	53,418
	Force mains (miles)	63.0	73.8	73.8	73.8	73.8	73.8	73.8	73.8	178.0	191.0
	Gravity sewer mains (miles)	152.0	175.0	195.0	195.0	195.0	195.0	195.0	195.0	350.5	396.5
	Wastewater treatment plant capacity (mgpd)*	10.300	11.500	13.720	15.494	14.994	14.977	15.019	15.019	13.424	14.249

Notes: * mgpd = Million gallons per day

+ 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 Mitchell WTP design capacity (2.90 MGD) does not include Aloha Gardens

+++++ Lindrick WUP permit (0.870 MGD) design capacity (1.944 MGD)

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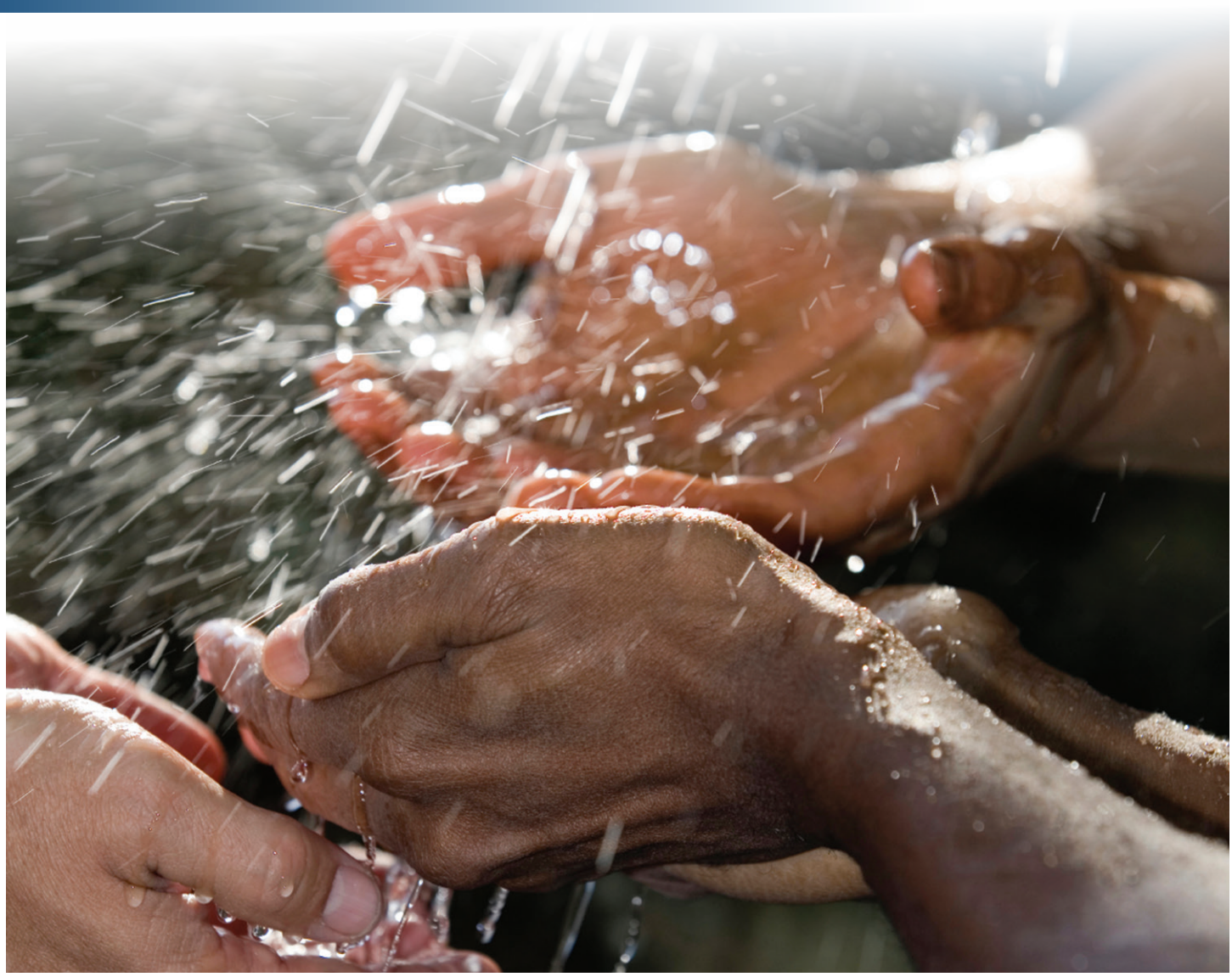
TAB 4
Other Reports



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, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 27, 2020.

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.

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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
February 27, 2020

FLORIDA GOVERNMENTAL UTILITY AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Federal or State Agency / Pass-Through Entity / Federal Program / State Project	CFDA/ CSFA Number	Pass-Through Identifying/ Grant Number	Expenditures
FEDERAL AGENCY			
U.S. Department of Agriculture			
Direct:			
Water and Waste Disposal Systems for Rural Communities	10.760	No. R-1	$ 9,000,000
Water and Waste Disposal Systems for Rural Communities	10.760	No. R-2	3,782,068
Total Water and Waste Disposal Systems for Rural Communities			12,782,068
Total U.S. Department of Agriculture			12,782,068
U.S. Department of Homeland Security			
Passed through Florida Division of Emergency Management:			
Disaster Grants - Public Assistance	97.036	Z0644	1,261,018
Total U.S. Department of Homeland Security			1,261,018
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 14,043,086
STATE AGENCY			
State of Florida Department of Environmental Protection			
Direct:			
Wastewater Treatment Facility Construction	37.077	WW360850	$ 986,619
Florida Springs Grant Program	37.052	LP51030	236,617
Total State of Florida Department of Environmental Protection			1,223,236
Total State Financial Assistance			$ 1,223,236

The accompanying notes to the schedule of expenditures of federal awards and state financial assistance are an integral part of this statement.

OTHER

Florida Governmental Utility Authority
Notes to Schedule of Expenditures of
Federal Awards and State Financial Assistance
For the Year Ended September 30, 2019

(1) Basis of Presentation:

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal award and state financial assistance activity of Florida Governmental Utility Authority (the Authority), under programs of the federal and state governments for the year ended September 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215.97, Florida Statutes. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Authority.

(2) Summary of Significant Accounting Policies:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in the Uniform Guidance or the cost principles contained in Section 215, Florida Statutes wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

No amounts were passed through to subrecipients during the year ended September 30, 2019

(3) De Minimis Indirect Cost Rate Election:

The Authority does not elect to use the 10% de minimis indirect cost rate as covered in §200.414, *Indirect (F&A) Costs*, of the Uniform Guidance.

(4) Reporting of FEMA Expenditures:

During the years ended September 30, 2019 and 2018, the Authority incurred costs related to Hurricane Irma. Per the Office of Management and Budget (OMB) *Compliance Supplement*, any reimbursements from the Federal Emergency Management Agency (FEMA) under CFDA 97.036 are not to be recognized as expenditures for purposes of the Schedule until the respective Project Worksheets (PW) have been approved. For Hurricane Irma, the Florida Division of Emergency Management (FDEM) contracted all PWs individually on separate grant agreements after each PW is approved by FEMA. For financial statements purposes, the Authority recognized $1,261,018 of expenditures during the year ended September 30, 2018. The related revenues have been recorded for financial statement purposes and are recognized on the Schedule for the year ended September 30, 2019.

(5) **Loans Outstanding:**

The Authority had the following loan balances outstanding at September 30, 2019:

Program Title	CFDA / CSFA Number	Expenditures Incurred During the Year Ended 9/30/2019	Outstanding Loan Amount
U.S. Department of Agriculture: Water and Waste Disposal Systems for Rural Communities	CFDA 10.760	$ 12,782,068	$ 12,782,068
Florida Department of Environmental Protection: Wastewater Treatment Facility Construction	CSFA 37.077	$ 986,620	$ 986,619

There are no continuing compliance requirements associated with the above noted loans.

OTHER

Florida Governmental Utility Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2019

I. **Summary of Auditors' Results:**

Financial Statements:

Type of audit report issued on the financial statements: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ yes	__X__ no
Significant deficiency(ies) identified?	_____yes	__X__ none reported

Noncompliance material to financial statements noted? _____ yes __X__ no

Federal Programs:

Internal control over major Federal programs:

Material weakness(es) identified?	_____ yes	__X__ no
Significant deficiency(ies) identified?	_____ yes	__X__ none reported

Type of auditor's report issued on compliance for major Federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes __X__ none reported

Dollar threshold used to distinguish between type A and type B programs: $750,000

Identification of major Federal programs:

CFDA Number	Program Name
10.760	Water and Waste Disposal Systems for Rural Communities
97.036	Disaster Grants – Public Assistance

Auditee qualified as low-risk auditee? _____ yes __X__ no

State Projects:

Internal control over major State projects:

Material weakness(es) identified?	_____ yes	__X__ no
Significant deficiency(ies) identified?	_____ yes	__X__ none reported

Type of auditor's report issued on compliance for major State projects: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557, Rules of the Auditor General?	_____ yes	__X__ none reported
Dollar threshold used to distinguish between type A and type B programs:		$366,971

Identification of major State projects:

CSFA Number	Program Name
37.077	Wastewater Treatment Facility Construction

II. **Financial Statement Findings:** None.

III. **Federal Awards Programs Findings and Questioned Costs:** None.

IV. **State Financial Assistance Projects Findings and Questioned Costs:** None.

V. **Summary Schedule of Prior Audit Findings:** Not applicable as no prior year findings have been reported.

VI. **Corrective Action Plan:** Not applicable as no current year findings have been reported.

VII. **Management Letter:** No management letter pursuant to Sections 215.97(9)(f) and 215.97(10)(d), Florida Statutes is required since there are no items related to state financial assistance required to be reported in the management letter, not already reported in this schedule.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Directors,
Florida Governmental Utility Authority:

Report on Compliance for Each Major Federal Program and State Project

We have audited the Florida Governmental Utility Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the Authority's major federal programs and state projects for the year ended September 30, 2019. The Authority's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the Federal and State statutes, regulations, and the terms and conditions of its state projects applicable to its state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Florida Auditor General. Those standards, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2019.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

James Moore & Co., P.L.

Daytona Beach, Florida
February 27, 2020