

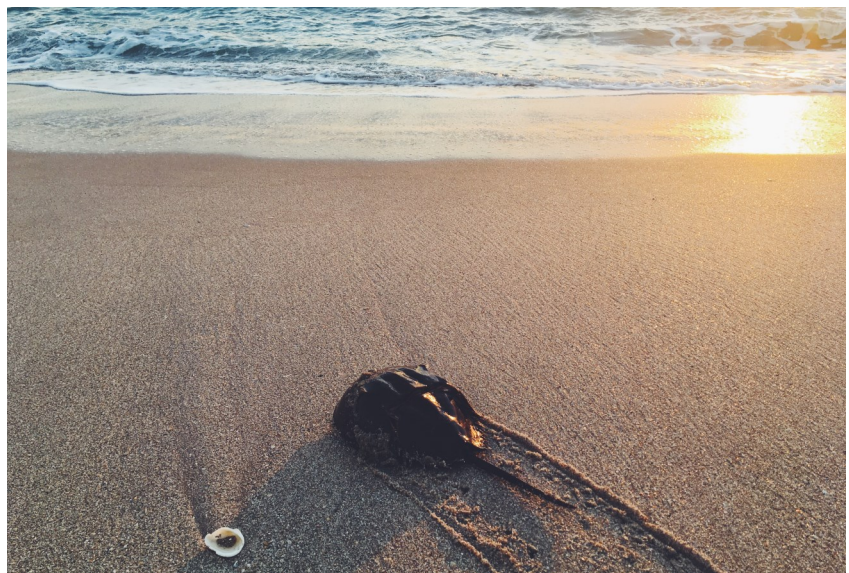


INDIAN RIVER COUNTY



2017 Popular Annual Financial Report

for the Fiscal Year Ended September 30, 2017



Prepared by Jeffrey R. Smith, CPA, CGFO, CGMA
Indian River County Clerk of the Circuit Court and Comptroller





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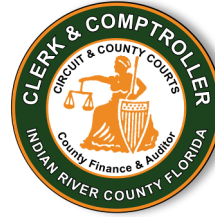
*Indian River County Administration Building A
Photo courtesy of Gary Tummond*

*Cover Photos:
Cypress trees at Blue Cypress Lake
photo courtesy of JPRIImages.com,
Skydivers over Indian River County photo courtesy of
the Sebastian River Area Chamber of Commerce,
Palm Trees near Vero Beach's South Beach
photo courtesy of Laura McIver,
Horseshoe crab on an Indian River County beach photo courtesy
of Deanna DeRosia (Instagram @sweet.dea.drawings)*

MESSAGE FROM THE CLERK



Jeffrey R. Smith,
CPA, CGFO, CGMA
Indian River County
Clerk of the Circuit Court
and Comptroller



To the Residents of Indian River County:

I am proud to present you with the County's Popular Annual Financial Report (PAFR) for the fiscal year ended September 30, 2017. The PAFR is intended to provide readers with an easy to understand summary of Indian River County's financial activities. This report provides a brief analysis of where County revenues come from and how those dollars were managed and spent over the past fiscal year.

It is my responsibility as Clerk of the Circuit Court and County Comptroller to safeguard our County's funds and public records. As such, I serve as the official watchdog of County funds, providing checks and balances on the County budget, revenue, and spending. I remain committed to reviewing our County's financials each year and reporting the information through our Comprehensive Annual Financial Report (CAFR) and through this PAFR.

Most of the information in this report is derived from Indian River County's CAFR. Awarded the Certificate of Achievement for Excellence in Financial Reporting for the past 34 consecutive years from the Government Finance Officers Association, the CAFR contains more detailed audited financial information. Since the information in the PAFR is summarized and does not provide financial information for all funds at the fund level, it does not conform to generally accepted accounting principles reporting requirements for government entities. Rather, this PAFR is prepared in a format so that non-financial readers can easily understand it. For a more in-depth and audited review of the County's finances, please refer to the CAFR, which includes detailed financial statements, notes, schedules, and reports. Both the CAFR and the PAFR are available on our website and can be accessed at www.clerk.indian-river.org/en/finance.

I hope you will find this report to be informative. It is my honor and privilege to serve as your Clerk and Comptroller. Thank you for the trust you continue to place in your County and those who work to serve you.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey R. Smith".

Jeffrey R. Smith, CPA, CGFO, CGMA
Indian River County Clerk of the Circuit Court and Comptroller

ABOUT THIS REPORT



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to
**Indian River County
Florida**

For its Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

Christopher P. Morrell

Executive Director/CEO

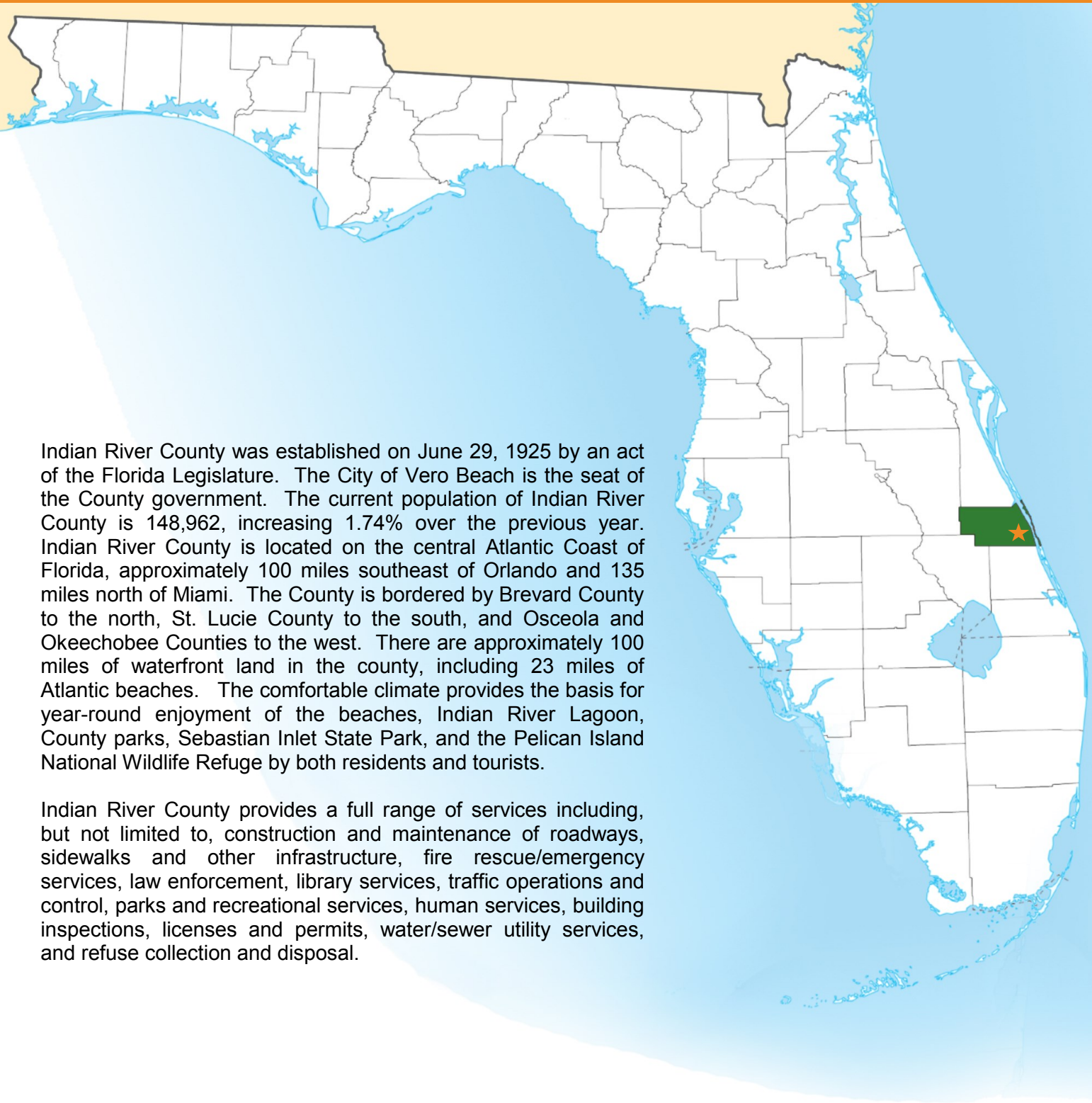
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Indian River County, Florida for its Popular Annual Financial Report for the fiscal year ended September 30, 2016. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Indian River County has received a Popular Award for the last 2 consecutive years (fiscal years ended 2015-2016). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.



COUNTY OVERVIEW



Indian River County was established on June 29, 1925 by an act of the Florida Legislature. The City of Vero Beach is the seat of the County government. The current population of Indian River County is 148,962, increasing 1.74% over the previous year. Indian River County is located on the central Atlantic Coast of Florida, approximately 100 miles southeast of Orlando and 135 miles north of Miami. The County is bordered by Brevard County to the north, St. Lucie County to the south, and Osceola and Okeechobee Counties to the west. There are approximately 100 miles of waterfront land in the county, including 23 miles of Atlantic beaches. The comfortable climate provides the basis for year-round enjoyment of the beaches, Indian River Lagoon, County parks, Sebastian Inlet State Park, and the Pelican Island National Wildlife Refuge by both residents and tourists.

Indian River County provides a full range of services including, but not limited to, construction and maintenance of roadways, sidewalks and other infrastructure, fire rescue/emergency services, law enforcement, library services, traffic operations and control, parks and recreational services, human services, building inspections, licenses and permits, water/sewer utility services, and refuse collection and disposal.

*Roseate Spoonbills at Stick Marsh in
northwestern Indian River County.*

Photo courtesy of JPRIImages.com

BOARD OF COUNTY COMMISSIONERS

Indian River County is a non-charter county established under the Constitution and the Laws of the State of Florida. It is governed by a five member Board of County Commissioners (Board) elected at large from the five districts within the County. A County Administrator is appointed by the Board and is responsible for implementing the policies set forth by the Board. The Administrator is also charged with the fiscal control of the resources of the County.



Susan Adams
District 1



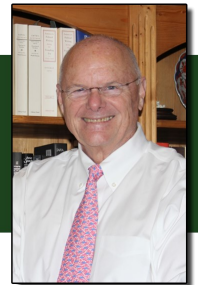
Joseph E. Flescher
District 2



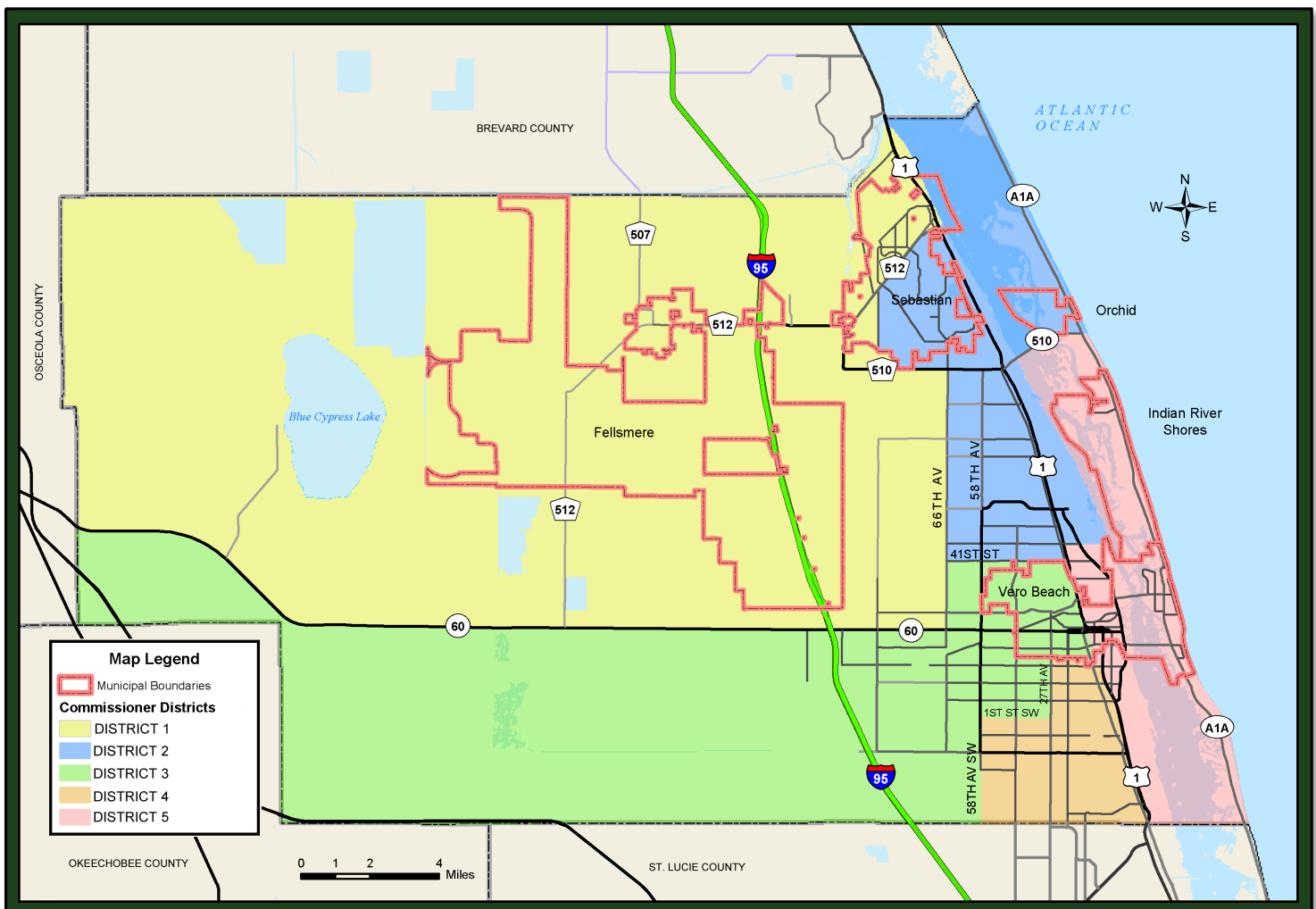
Tim Zorc
District 3



Peter D. O'Bryan
District 4



Bob Solari
District 5



ELECTED CONSTITUTIONAL OFFICERS



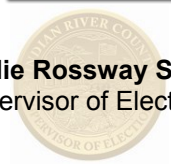
Deryl Loar
Sheriff



Carole Jean Jordan
Tax Collector



David C. Nolte
Property Appraiser



Leslie Rossway Swan
Supervisor of Elections



Jeffrey R. Smith
Clerk of Court and
Comptroller

In addition to the Board, there are five elected Constitutional Officers serving specific governmental functions: Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections, and Clerk of the Circuit Court and Comptroller (Clerk). Although the funding for all Constitutional Offices is part of the County's General Fund, the Board does not have direct responsibility for their operations. Each office is run separately within each of its respective legal guidelines.



Plumeria after a rain storm

Photo courtesy of Laura McIver

The Clerk, Sheriff, and Supervisor of Elections submit proposed operating budgets to the Board prior to May 1st. The Florida Department of Revenue receives budgets from the Property Appraiser prior to June 1st and from the Tax Collector prior to August 1st. Once these budgets are approved, they are forwarded to the Board. The court-related function of the Clerk submits a budget to the Florida Clerks of Court Operations Corporation (CCOC) prior to June 1st. The Clerk's Court operating budget includes proposed expenditures and the sources to finance them as set forth in Section 28.36, Florida Statutes.

Constitutional Officers, all departments controlled by the Board of County Commissioners, and outside State and local agencies submit their proposed budgets to the Office of Management and Budget for assistance, review and compilation. The County Administrator then reviews all the budgets of the County departments, state agencies and nonprofit organizations, and makes his budget recommendations to the Board of County Commissioners on or before July 15th of each year.

During September, public hearings are held pursuant to the Florida Statutes, in order for the Board to receive public input on the tentative budget. At the end of the last public hearing, the Board enacts ordinances to legally adopt (at the fund level) the budgets for all governmental fund types.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Listed are some major projects included in the current Capital Improvements Plan (CIP), which estimates the cost of improvements and evaluates the need for public facilities. The CIP is updated annually and encompasses a period of five years.

County Road 512 Resurfacing: The \$3.5 million project consists of dual resurfacing of the westbound lanes between Roseland Road and US Highway 1 and the eastbound lanes between Easy Street and US Highway 1. The project requires the use of the full depth reclamation process which shortens the duration of the construction process, but requires special expertise and equipment. A Small County Outreach Program (SCOP) Grant from the Florida Department of Transportation will fund \$2.4 million of the project with the remainder coming from gas taxes.

Osprey Acres Floway and Nature Preserve: The 83.14 acres of undeveloped land purchased east of Osprey Marsh Treatment Facility will serve to create a pollutant removal system (stormwater park) that will remove nitrogen and phosphorus from Osprey Marsh's outflow water and increase the County's ability to meet proposed total maximum daily loads (TMDL) for nutrients discharged into the Indian River Lagoon. The cost for construction is estimated at \$7.5 million and will be funded with an FDEP TMDL Grant, St. John's River Water Management District Cost-Share Grant, Florida House Appropriations Grant, and optional one cent sales tax.

North County Commercial Septic to Sewer: The \$3 million project will construct a gravity sewer system to service an area that has a land use designation of commercial properties on septic. The area currently has 38 existing structures with a total of 61 parcels. Indian River County Department of Utility Services is constructing a new gravity sanitary sewer system and sections of the water main to serve commercial areas along US Highway #1 and in the City of Sebastian. Customer assessments, optional one cent sales tax, and a St. John's River Water Management District Cost-Share Grant will provide the funding.

South County Water Treatment Plant Well Construction and Rehabilitation: The Indian River County Department of Utility Services currently owns and operates six Floridan supply wells that are the source water for the South County Reverse Osmosis Water Treatment Facility. This project consists of the construction of a new well, the replacement of a well, and the rehabilitation of three wells at a cost of \$2.5 million from the Utilities operating fund.

800 Mhz P25 Radio System Migration Project: To meet current operational standards, the 800 Mhz radio system will migrate to the Federal Communications Commission recommended Project 25 (P25) which is the standard for the design and manufacture of interoperable digital two way communications for public safety organizations. The \$5.9 million phased upgrade of the system over a five year period will be funded from optional one cent sales tax.

The following major projects were completed in fiscal year 2017:

GoLine Bus Transfer Hub: GoLine is the Indian River County public transportation system with bus service on 14 fixed routes throughout the County. The main hub facility was completed at a cost of \$1.9 million.

Shooting Range Skeet & Trap Facility Improvements: The \$1.7 million improvements at the Indian River County Shooting Range consisted of national competition skeet and trap fields, hi/low trap houses, and a 15 station sporting clays course.

Sheriff's Helicopter Hangar & Helipad: The Sheriff Office's on-site helicopter hangar building and helipad was constructed at a cost of \$2.3 million.

Sebastian Corners Retail Center: The 2.35 acre property located on US Highway 1 in Sebastian was purchased for \$2.7 million to relocate the North County offices of the Clerk of the Circuit Court and Comptroller, Property Appraiser, Tax Collector, Utilities Department, and Veterans Services.



Water Lily at McKee Botanical Garden

Photo courtesy of Rick Woodard

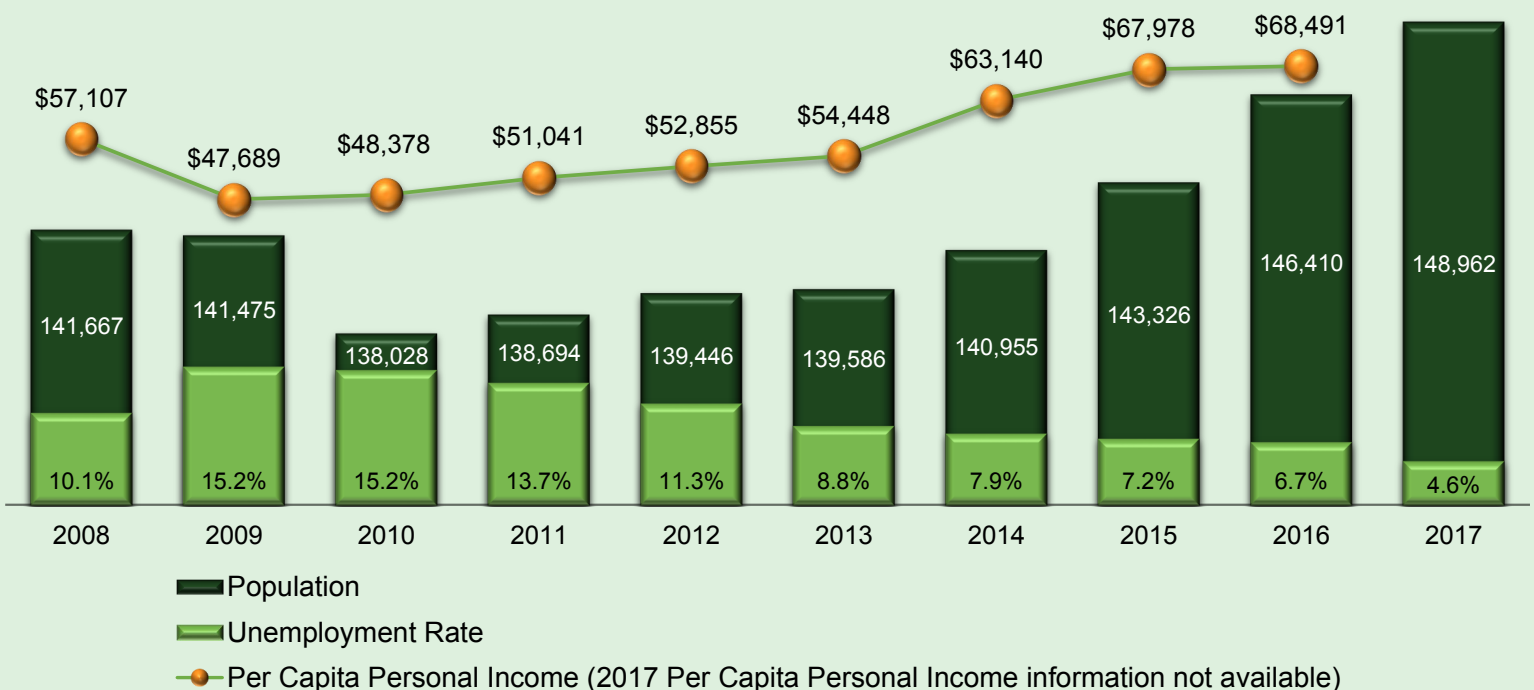
LOCAL ECONOMY

PRINCIPAL EMPLOYERS	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1. School District of Indian River County	2,073	3.40%
2. Indian River Medical Center	1,753	2.88%
3. Indian River County*	1,501	2.46%
4. Publix Supermarkets	1,250	2.05%
5. Piper Aircraft Inc.	904	1.48%
6. Wal-Mart	693	1.14%
7. Sebastian River Medical Center	595	0.98%
8. John's Island	584	0.96%
9. Medical Data Systems	500	0.82%
10. City of Vero Beach	409	0.67%
Principal Employers' Total:	10,262	16.84%
Total Employed in County:	60,921	

Source: Indian River County, Florida annual budgets for individual employers. Florida Agency for Workforce Innovation - Labor Market Statistics, and Bureau of Economic and Business Research at University of Florida for total County employment figures.

*This includes the Board of County Commissioners, Supervisor of Elections, Property Appraiser, Sheriff, Tax Collector, and Clerk of the Circuit Court and Comptroller.

Indian River County continues to experience signs of improvement in the economy. Total taxable property tax values increased from \$14.3 billion in 2016 to \$16.3 billion in 2017. Construction activity also saw a significant increase with 13% more building permits issued for new construction in 2017 over 2016. The population of the County has been steadily increasing, growing to 148,962 in 2017. Unemployment has been decreasing, dramatically falling from 6.7% in 2016 to 4.6% in 2017. Historically, Indian River County's economy was made up of agriculture (citrus and cattle) and tourism. Those industries have now been complemented with an increase in health care and information technology firms, light manufacturing, wholesale and retail trade, and service sector jobs. The top three major employers in Indian River County, providing nearly 9% of the total number of jobs in the County, are the School District of Indian River County, Indian River Medical Center, and Indian River County Government.



PROPERTY TAXES

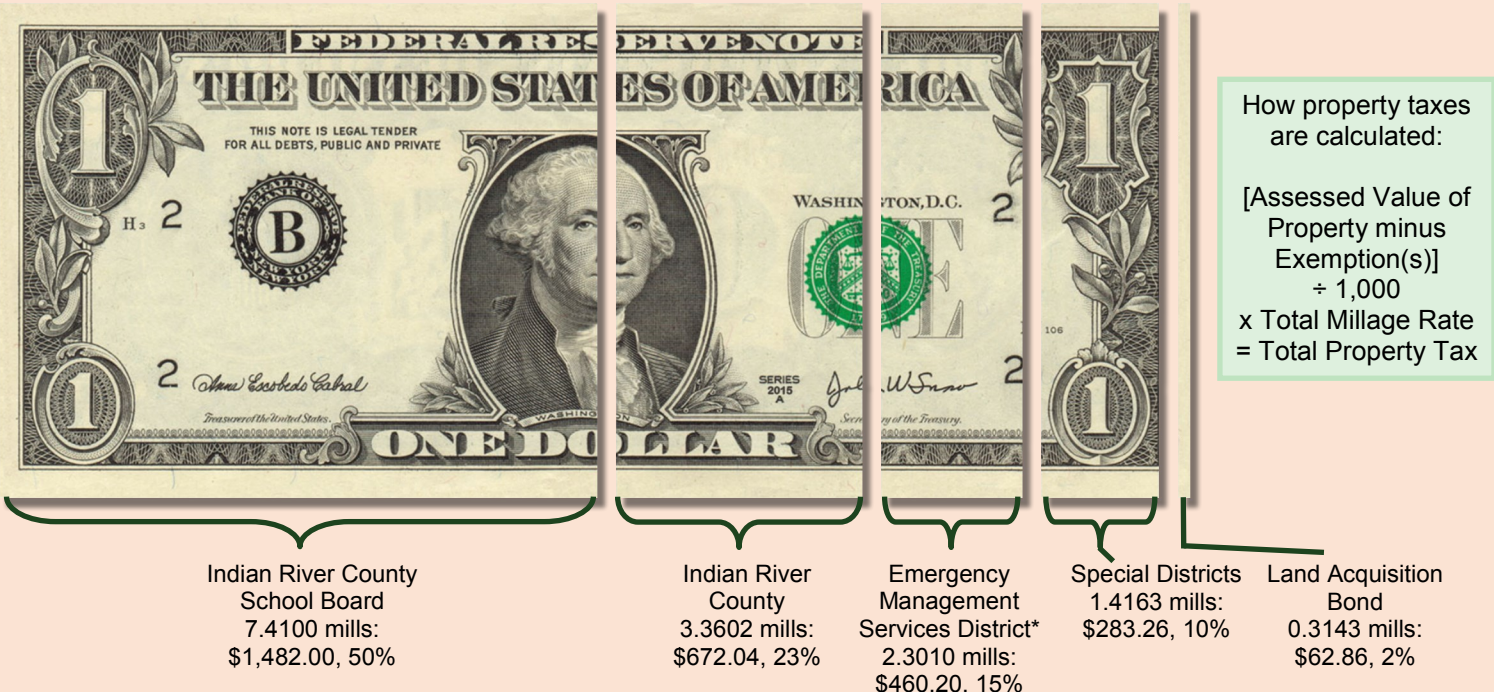
The Board of County Commissioners and other taxing entities each set a property tax rate called a “millage rate”. This rate is used to calculate overall property taxes. A “mill” is equal to \$1 of tax for every \$1,000 of assessed property value. **The picture below illustrates how each dollar of the County-wide portion of the property tax bill is broken down. The County-wide portion is paid by all property owners within the County boundaries.** If you own a home in Indian River County, the tax bill you pay each year funds much more than County Government. Depending on where you live, your tax bill may also include millage rates for taxes paid to cities, such as the City of Vero Beach, or a special taxing district, such as the Sebastian Inlet Taxing District.

PRINCIPAL TAXPAYERS	REAL PROPERTY ASSESSED VALUATION	PERCENTAGE OF TOTAL ASSESSED VALUE
1. Florida Power & Light	\$140,292,008	0.86%
2. Disney Vacation Dev. Inc.	80,101,112	0.49%
3. McGuire, Allen Robert Jr.	53,869,142	0.33%
4. Windsor Properties	52,586,721	0.32%
5. Johns Island Club, Inc.	42,540,303	0.26%
6. Adult Communities Total Services, Inc.	31,961,755	0.20%
7. Bellsouth Telecommunications	29,480,482	0.18%
8. Health Care REIT, Inc.	27,785,306	0.17%
9. TSO Vero Beach, LP	24,201,486	0.15%
10. INEOS New Planet Bioenergy, LLC	22,751,761	0.14%
Principal Taxpayers' Total:	505,570,076	3.10%
Total County Taxable Valuation:	\$16,276,321,779	

Source: Indian River County Property Appraiser

Breakdown of the County-wide Portion of a Property Tax Bill Based on Taxable Value of \$200,000 Total Taxes: \$2,960.36

*For illustrative purposes only. Amounts shown in the example do not include cities, unincorporated areas, or any applicable taxing districts within. Amounts shown are also net of applicable exemption amounts. *Note: The residents of the Town of Indian River Shores are not levied the Emergency Management Services District tax.*



GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

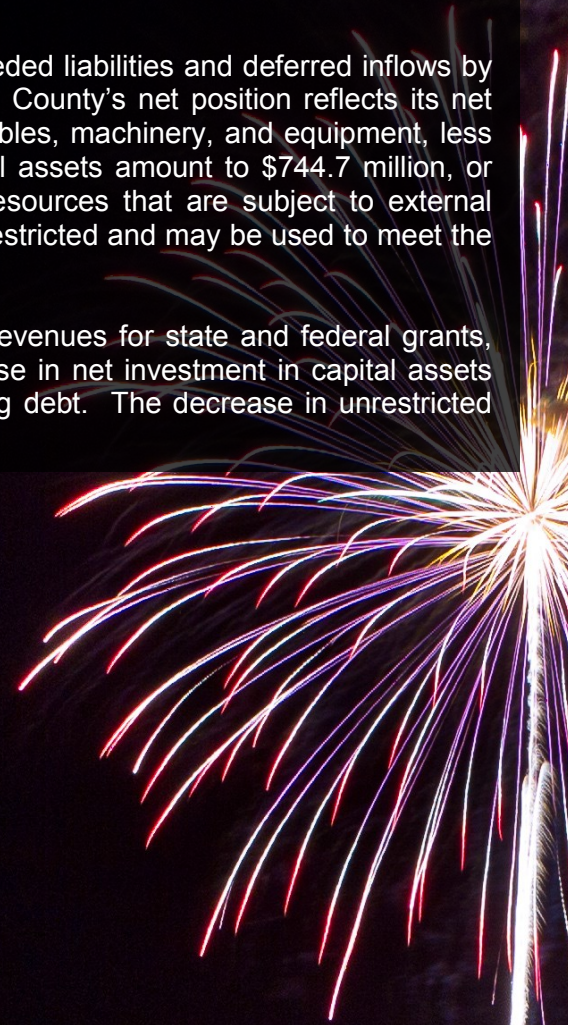
The Statement of Net Position presents information on all the County's assets, liabilities, and deferred inflows/outflows of resources. The difference is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$1,000.5 million at the close of the fiscal year. The largest portion of the County's net position reflects its net investment in capital assets, such as land, buildings, infrastructure, intangibles, machinery, and equipment, less any related outstanding debt used to acquire those assets. These capital assets amount to \$744.7 million, or 74% of the County's net position. \$150.2 million, or 15%, represents resources that are subject to external restrictions on how they may be used. The remaining \$105.6 million is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors.

The increase in restricted net position was mainly due to an increase in revenues for state and federal grants, including hurricane reimbursements, and insurance proceeds. The increase in net investment in capital assets was a result of completed construction projects and decreased outstanding debt. The decrease in unrestricted net position is due to an increase in the net pension liability.

	2017	2016	Increase (Decrease)
Assets			
Current and other assets	\$392.6	\$361.8	\$30.8
Capital assets	787.2	789.8	(2.6)
Total Assets	\$1,179.8	\$1,151.6	28.2
Deferred Outflows of Resources	59.1	47.8	11.3
Liabilities			
Other liabilities	149.0	128.5	20.5
Long-term liabilities	80.7	87.6	(6.9)
Total liabilities	229.7	216.1	13.6
Deferred Inflows of Resources	8.7	5.1	3.6
Net Position			
Net investment in capital assets	744.7	739.8	4.9
Restricted	150.2	132.1	18.1
Unrestricted	105.6	106.3	(0.7)
Total net position	\$1,000.5	\$978.2	\$22.3

(Chart in millions)



STATEMENT OF ACTIVITIES

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

	2017	2016	Increase (Decrease)	Percent Change
REVENUES				
Program revenues:				
Charges for services	\$78.1	\$75.9	\$2.2	2.9%
Operating grants/contributions	33.6	24.6	9.0	36.6%
Capital grants/contributions	12.9	11.0	1.9	17.3%
General revenues:				
Property taxes	90.2	84.7	5.5	6.5%
Sales taxes	25.6	24.4	1.2	4.9%
Franchise fees	9.1	9.3	(0.2)	(2.2%)
Other	5.0	7.2	(2.2)	(30.6%)
Total revenues	254.5	237.1	17.4	7.3%
EXPENSES				
General Government	25.9	27.5	(1.6)	(5.8%)
Public safety	83.3	77.6	5.7	7.3%
Physical environment	2.3	1.4	0.9	64.3%
Transportation	28.9	28.2	0.7	2.5%
Economic environment	0.4	0.4	0.0	0.0%
Human services	8.0	7.8	0.2	2.6%
Culture/recreation	16.0	14.7	1.3	8.8%
Court related	7.3	7.1	0.2	2.8%
Interest and fiscal charges	0.8	0.9	(0.1)	(11.1%)
Water and sewer	38.6	35.4	3.2	9.0%
Solid waste	14.5	12.7	1.8	14.2%
Golf course	2.7	2.6	0.1	3.8%
Building	3.5	2.7	0.8	29.6%
Total expenses	232.2	219.0	13.2	6.0%
Increase (decrease) in net position	22.3	18.1	4.2	23.2%
Net position - Beginning	978.2	960.1	18.1	1.9%
Net position - Ending	\$1,000.5	\$978.2	\$22.3	2.3%

(Chart in millions)

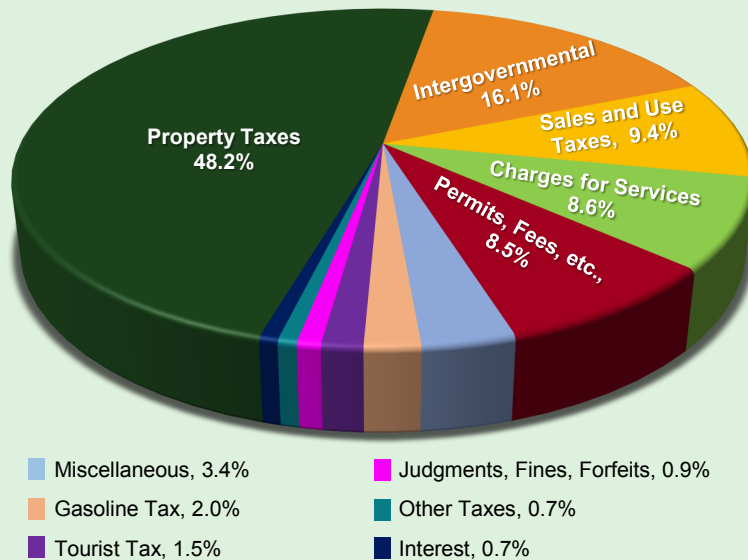
Fourth of July fireworks over the Indian River.
Photo courtesy of JPRImages.com

GOVERNMENTAL FUNDS

REVENUES

REVENUE SOURCES	2017	2016
Property Taxes	\$90,192,496	\$84,695,191
Intergovernmental	30,031,350	33,535,027
Sales & Use Taxes	17,623,741	16,858,894
Charges for Services	16,006,929	15,532,928
Permits, Fees, and Special Assessments	15,900,775	16,530,179
Miscellaneous	6,392,927	8,158,393
Gasoline Tax	3,821,095	3,741,935
Tourist Tax	2,817,766	2,433,491
Judgments, Fines, Forfeits	1,620,964	1,672,773
Other Taxes	1,302,302	1,353,020
Interest	1,287,415	1,133,215
Total Revenues	\$186,997,760	\$185,645,046

Overall, general revenues for fiscal year 2017 increased from the prior year. This is due mainly to increased property tax values and tax rates. The County's primary source of revenue is property taxes, amounting to \$90.2 million, or 48.2%, of Governmental Funds revenues in 2017. This is an increase of \$5.5 million from fiscal year 2016.



EXPENDITURES

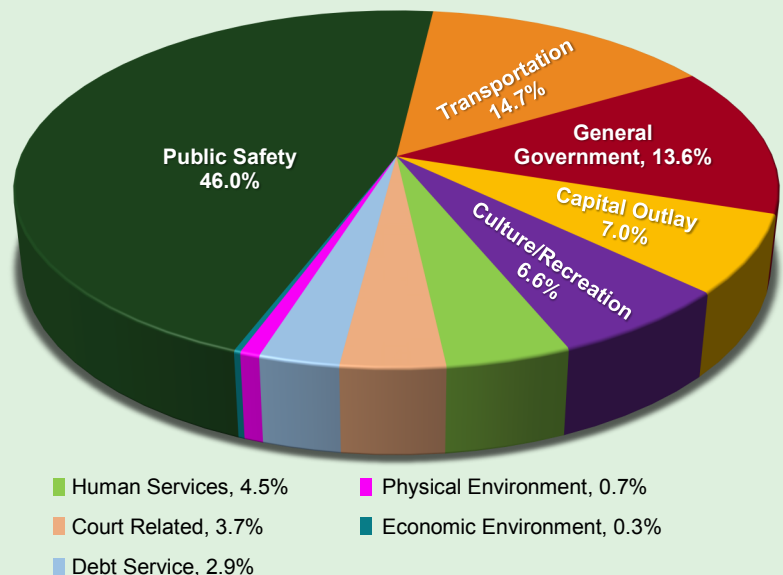
Expenditures for fiscal year 2017 totaled \$181.3 million, which was an increase over the previous year. By far, the largest expenditure of County funds is for Public Safety, increasing this year mainly due to the completion of the helicopter hangar and increases in salaries and benefits. Physical environment increased due in part to hurricane related repairs at the Lateral D canal and for professional services for an aquatic plant pilot study. Culture and Recreation decreased due to the completion of the South County Intergenerational Facility in fiscal year 2016.

EXPENDITURES	2017	2016
Public Safety	\$83,397,539	\$77,316,218
Transportation	26,562,596	27,505,659
General Government	24,681,861	22,693,234
Capital Outlay	12,777,795	13,329,391
Culture/Recreation	12,013,338	13,562,765
Human Service	8,116,910	7,868,392
Court Related	6,755,050	6,605,682
Debt Service	5,230,520	5,215,007
Physical Environment	1,300,862	788,803
Economic Environment	437,031	424,593
Total Expenditures	\$181,273,502	\$175,309,744



The newly completed GoLine Bus Transfer Hub

Photo courtesy of the Senior Resource Association



GENERAL FUND

The General Fund is the chief operating fund of the County. The ending fund balance as of September 30, 2017 was \$47.4 million.

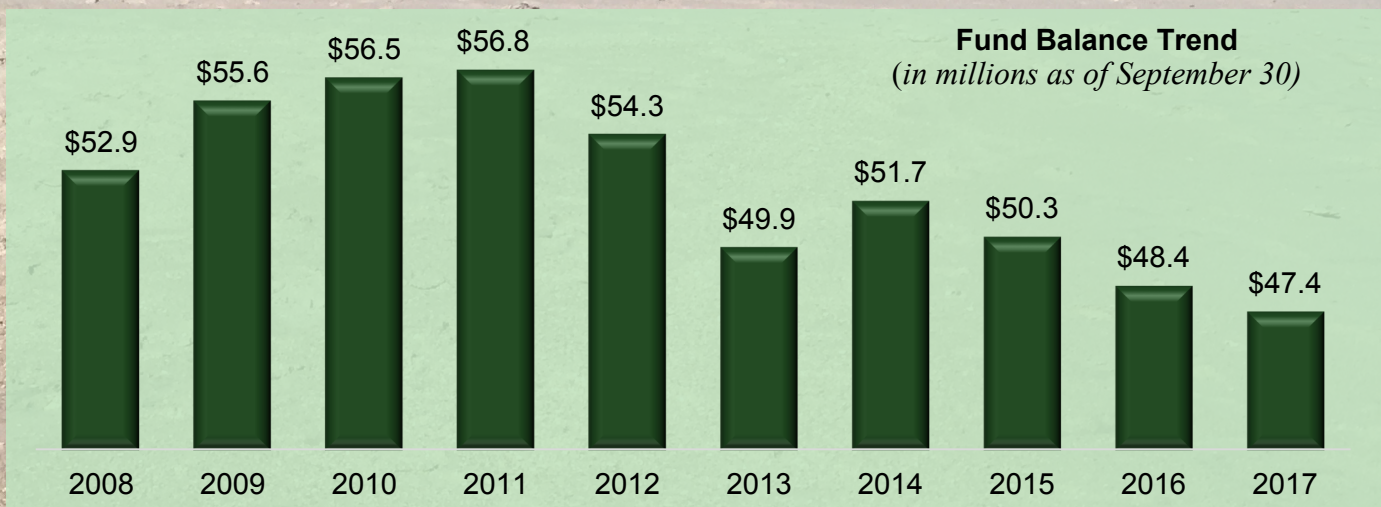
In 2010, the County implemented the Governmental Accounting Standards Board (GASB) Statement 54. The objective of Statement 54 is to provide clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

The fund balance classifications used are:

- **Nonspendable** - Amounts that cannot be spent because they are not in spendable form, such as inventory, prepaid items, and advances to other funds.
- **Restricted** - Use of these resources is based on constraints imposed by external parties, such as creditors, grantors, contributors, or laws and regulations.
- **Committed** - Amounts that can only be spent by approval by a County ordinance by the Board of County Commissioners.
- **Unassigned** - Amounts in the general fund that do not meet any other fund balance classifications.

Fund Balance Comparison

	2017	2016
Nonspendable	\$1,183,875	\$371,121
Restricted	1,246,278	1,000,000
Committed	1,655,789	1,166,830
Unassigned	43,334,507	45,909,787
Total	\$47,420,449	\$48,447,738



The Atlantic Ocean from one of Indian River County's beaches

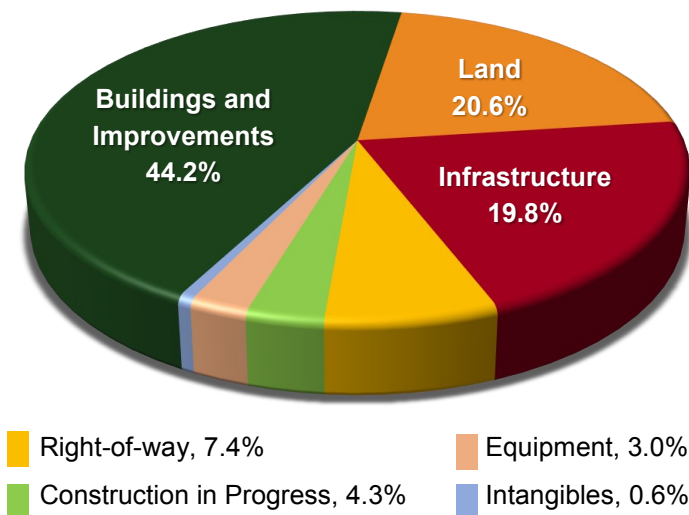
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$58,366,967	\$58,366,967	\$59,268,103	\$901,136
Permits, fees and special assessments	9,017,875	9,017,875	9,407,266	389,391
Intergovernmental	12,558,196	16,028,792	16,054,567	25,775
Charges for services	8,671,955	8,108,310	8,080,904	(27,406)
Judgments, fines and forfeits	1,028,399	1,094,342	1,182,194	87,852
Interest	154,195	154,195	389,073	234,878
Miscellaneous	4,106,316	4,257,063	5,015,643	758,580
Total revenues	93,903,903	97,027,544	99,397,750	2,370,206
Expenditures				
General government	20,693,370	22,337,406	20,646,898	1,690,508
Public safety	45,566,861	46,439,989	46,157,514	282,475
Physical environment	323,682	421,305	378,006	43,299
Transportation	800,000	5,549,941	4,539,860	1,010,081
Economic environment	432,221	441,174	433,553	7,621
Human services	4,368,656	4,514,279	4,239,760	274,519
Culture/recreation	9,705,321	10,678,806	9,611,836	1,066,970
Court related	5,760,270	5,926,541	6,063,329	(136,788)
Total expenditures	87,650,381	96,309,441	92,070,756	4,238,685
Excess of revenues over (under) expenditures	6,253,522	718,103	7,326,994	6,608,891
Other Financing Sources (Uses)				
Transfers in	853,399	1,600,807	1,562,993	(37,814)
Transfers out	(9,917,088)	(9,917,276)	(9,917,276)	-
Total other financing sources (uses)	(9,063,689)	(8,316,469)	(8,354,283)	(37,814)
Net change in fund balances	(2,810,167)	(7,598,366)	(1,027,289)	6,571,077
Fund balances at beginning of year	2,810,167	7,598,366	48,447,738	
Fund balances at end of year	-	-	\$47,420,449	

This chart shows the original and final amended budget for the General Fund for fiscal year 2017. There was an \$8.7 million increase in operating appropriations between the original and final amended budget. This included \$4.8 million in grants appropriations and prior year rollovers for the Senior Resource Association (SRA) to provide County-wide public transportation, \$0.5 million for All Aboard Florida legal and professional services, \$0.3 million in building and equipment maintenance including replacement carpeting at the library, \$0.6 million in salary and benefit increases due to hurricane-related overtime, and \$0.2 million in hurricane related operating expenses. Actual expenditures for the fiscal year 2017 were \$4.2 million lower than anticipated. This included \$1.0 million in SRA grant costs not yet expended, \$1.0 million in unspent legal, professional, and other contractual services, and \$0.4 million in unspent salary and benefits expenditures.

CAPITAL ASSETS

CAPITAL ASSETS	2017	2016
Buildings and Improvements	\$348.2	\$353.4
Land	162.0	161.3
Infrastructure	156.2	166.8
Right-of-Way	58.6	57.6
Construction in Progress	34.0	26.0
Equipment	23.5	19.8
Intangibles	4.7	4.8
Total Capital Assets	\$787.2	\$789.7

(Chart in millions)



Photos of the completed Indian River County Sheriff's helicopter hangar

Photos courtesy of the Indian River County Sheriff

The County's investment in capital assets for its governmental and business-type activities on September 30, 2017 amounted to \$787.2 million, net of accumulated depreciation. This investment in capital assets includes land, right-of-way, buildings and improvements, intangibles, equipment, infrastructure, and construction in progress. The overall decrease in the County's investment in capital assets for fiscal year 2017 was less than 1% over the previous year.

Fiscal year 2017 saw an increase in equipment primarily due to the purchase of new voting equipment (\$0.9 million) and fire rescue vehicles and equipment (\$2.4 million). There was an increase in construction in progress due to the 800mhz P25 compliance project (\$2.1 million), Fire Station #14 construction (\$2.0 million) and various road and sidewalk projects (\$2.6 million). Decreases occurred in buildings and improvements as a result of increasing depreciation on existing assets.



DEBT

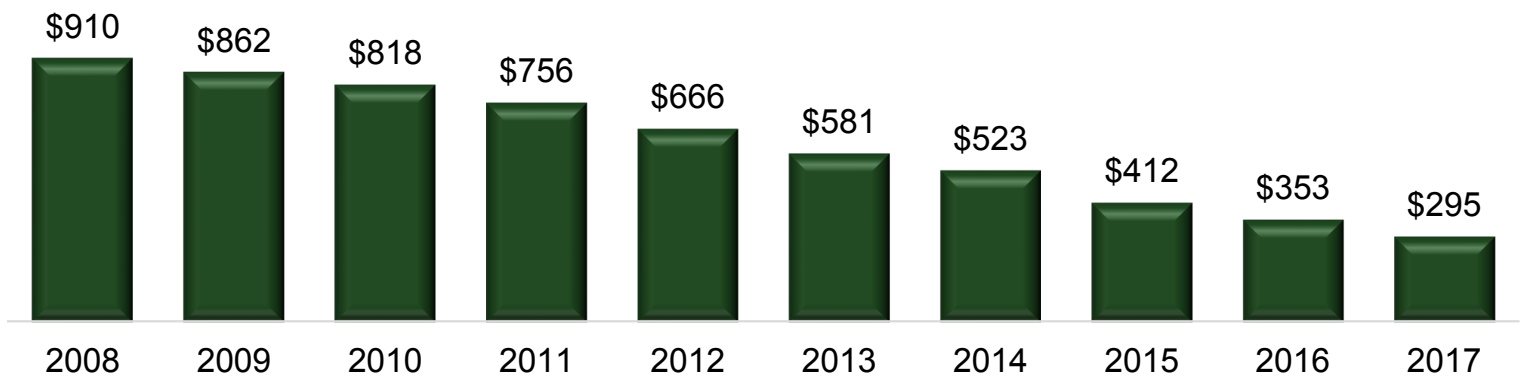
At the end of fiscal year 2017, the County had \$43.9 million in outstanding long-term debt. Of this amount, \$15.7 million is debt backed by the full faith and credit of the government. Outstanding debt decreased by \$7.7 million during fiscal year 2017 due to scheduled annual debt payments.

The chart below shows the amount of debt per capita within the County. The debt per capita has been steadily decreasing over the last 10 fiscal years falling by another \$58 during fiscal year 2017.

	2017	2016
General Obligation Debt		
Limited General Oblig. Note, Series 2015	\$15.7	\$19.7
Revenue Bonds/Notes		
Spring Training Facility, Series 2001	6.2	6.7
Water and Sewer Rev. Note, Series 2015	5.2	6.2
Water and Sewer Ref. Rev., Series 2009	16.8	19.0
Total	\$43.9	\$51.6

(Chart in millions)

Debt Per Capita



CASH AND INVESTMENTS

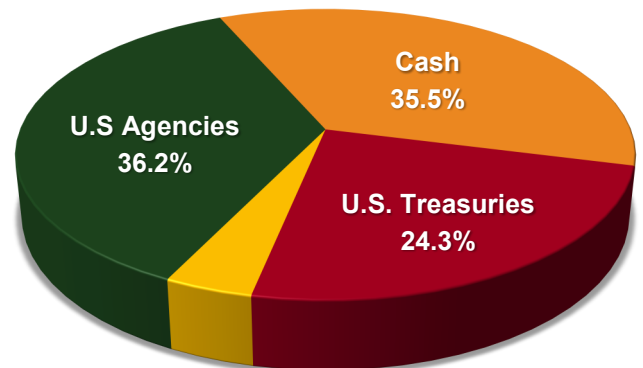


Sea turtle on an Indian River County Beach
Photo courtesy of Deanna DeRosia (Instagram @sweet.dea.drawings)

In accordance with the Florida Statutes, the County adopted investment policies which guide the investment of County funds. These policies establish investment objectives, maturity and liquidity requirements, portfolio composition, risk and diversification requirements, and authorized investments. The primary objectives of investment activities are to preserve capital and maintain sufficient liquidity to meet anticipated cash flow needs. The Clerk invests the surplus funds in accordance with the policy guidelines and earned \$2.3 million in interest income in fiscal year 2017.

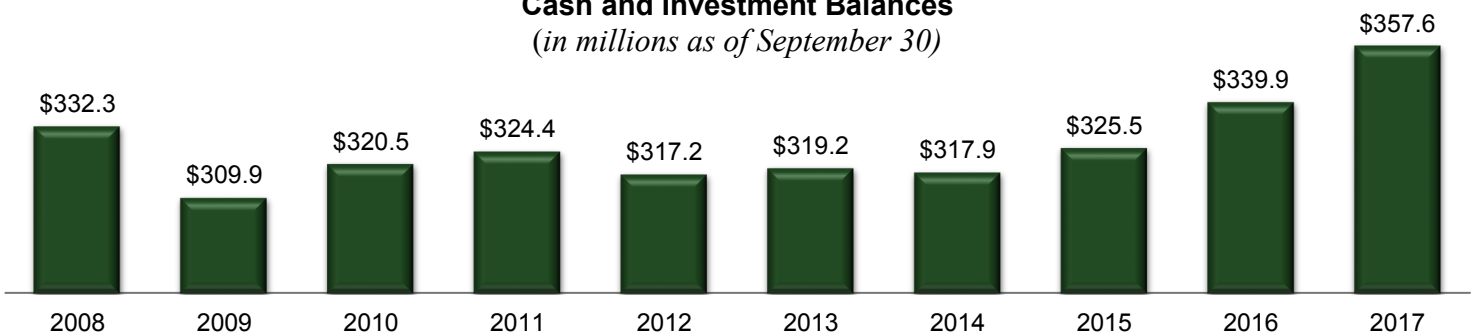
Cash and investments totaled \$357.6 million as of September 30. Cash reported on the financial statements includes bank deposits, cash on hand, certificates of deposit, money market accounts, and all highly liquid investments with maturities of ninety days or less when purchased. Total cash was \$127.0 million. Investments consist of U.S. Treasury Securities and U.S. Government Agency Securities. Other Market Rate Investments consist of the Florida PRIME Fund, the Florida Trust Day to Day and Short Term Bond Funds, and the Florida Cooperative Liquid Assets Securities System. Investments totaled \$230.6 million and the weighted average maturity was 0.92 years.

CASH & INVESTMENTS	AMOUNT	PERCENTAGE OF PORTFOLIO
U.S. Agencies	\$129,531,640	36.2%
Cash	127,030,941	35.5%
U.S. Treasuries	86,849,111	24.3%
Other Market Rate Investments	14,213,772	4.0%
Total:	\$357,625,464	100%



Other Market Rate Investments, 4.0%

Cash and Investment Balances
(in millions as of September 30)



ROLE OF THE CLERK



Alligator in the San Sebastian River . Photo courtesy of the Sebastian River Area Chamber of Commerce.

Established in 1838 by the Florida Constitution, the Clerk of Circuit Court and Comptroller (Clerk) is an elected official responsible for safeguarding public funds and protecting public records. The Clerk's Office performs 926 different constitutional and statutory functions and duties. This number does not include the responsibilities required of the Clerk by Court Rule and Administrative Order. In addition to being the County Comptroller, the Clerk is also the Clerk of the Circuit Court, County Recorder, and Clerk to the Board of the County Commissioners (Board).

As the County Comptroller, the Clerk acts as the County Treasurer, Auditor, and Finance Officer, providing a check and balance on the County's budget, revenue, and expenditures. Among other financial duties, the Clerk handles the investment of available county funds, provides financial reporting to the Board, processes accounts payable and payroll, provides accounting services to all departments under the Board of County Commissioners, pre-audits all county expenditures before payment, conducts internal post-audits to determine if financial controls are sufficient, and is responsible for the collection and enforcement of Tourist Tax.

As the Clerk of the Circuit Court, the Clerk is responsible for aiding in the judicial process and maintaining the integrity of the court records. Some of the Clerk's responsibilities include processing all Civil and Criminal cases in the county, preparing court dockets, attending hearings and trials, collecting fines and fees, jury management, maintaining custody of all evidence and exhibits entered by the court, maintaining the court registry, auditing guardianship reports and child support payments, issuing marriage licenses, and processing passport applications.

As County Recorder, the Clerk is responsible for maintaining the County's Official Records. Some of the Clerk's duties as County Recorder include recording and indexing all deeds, mortgages, and other documents pertaining to real property in the county, recording and indexing all judgments, orders, and other documents pertaining to court cases in the county, processing tax deed applications and conducting sales, recording plats of subdivisions, and collecting and disbursing documentary stamp taxes and intangible taxes.

As Clerk to the Board of County Commissioners, the Clerk serves as the custodian of the Board's records. Among other duties, the Clerk attends meetings of the Board and other committees, produces, records, indexes, and distributes the official minutes of these meetings, maintains legal custody of the Official County Seal, and provides citizens a forum through the Value Adjustment Board to address complaints when they believe the Property Appraiser overvalued their property or improperly denied an exemption.

GLOSSARY OF TERMS

Assets

What is owned by the County. Includes such items as pooled cash and investments, receivables, inventories, deposits with others, and prepaid items.

Capital Assets

Includes such items as County land, construction in progress, equipment, infrastructure and buildings, and improvements net of depreciation.

Capital Grants/Contributions

State, federal, other government and private contributions to fund capital projects.

Deferred Outflow of Resources

A consumption of net position by the government that is applicable to a future reporting period.

Deferred Inflow of Resources

An acquisition of net position by the government that is applicable to a future reporting period.

Fund Balance

The difference between assets plus deferred outflows of resources, less liabilities and deferred inflows of resources reported in the balance sheet of a governmental fund.

General Revenues

All of the revenues that are not required to be reported as program revenues in the government-wide statement of activities. General revenues include property taxes, sales and use taxes, state-shared revenues, as well as other County–levied taxes, investment income, rents, and the sale of surplus property.

Liabilities

Debts and obligations of the County.

Long-term Liabilities

Includes such items as bonds, notes, compensated absences, and other County obligations.

Net Investment in Capital Assets

Represents amounts invested in capital assets less accumulated depreciation and any outstanding debt used to acquire these assets.

Net Position

Net worth of the County calculated as the difference between total assets plus deferred outflows of resources, less liabilities and deferred inflows of resources.

Operating Grants/Contributions

State, federal, other government and private contributions to fund specific programs.

Per Capita

Amount per County resident.

Program Revenues

Term used in the statement of activities, which includes charges for services, operating grants, and capital grants.

Refunding

New bonds or notes issued to retire previously issued bonds on their maturity or callable date.

Restricted

Funds set aside for a specific purpose due to legal or external requirements.

Unrestricted

Funds available for the County to use for operations.



American Flags at Riverside Park during the annual Tunnel to Towers 5K

Photo courtesy of JPRIimages.com

CONTACTING YOUR GOVERNMENT

County Elected Officials

**Clerk of the Circuit Court and
County Comptroller**

Jeffrey R. Smith

www.clerk.indian-river.org

Indian River County Courthouse

2000 16th Ave.

Vero Beach, FL 32960

772-770-5185

Board of County Commissioners

Susan Adams – District 1

Joseph E. Flescher – District 2

Tim Zorc – District 3

Peter D. O'Bryan – District 4

Bob Solari – District 5

www.ircgov.com

Indian River County

Administration Building A

1801 27th St.

Vero Beach, FL 32960

772-226-1490

Property Appraiser

David C. Nolte

www.ircpa.org

Indian River County

Administration Building B

1800 27th St.

Vero Beach, FL 32960

772-567-8000, ext. 1469

Tax Collector

Carole Jean Jordan

www.irc-tax.com

Indian River County

Administration Building B

1800 27th St.

Vero Beach, FL 32960

772-226-1338

Supervisor of Elections

Leslie Rossway Swan

www.voteindianriver.com

4375 43rd Ave.

Vero Beach, FL 32967

772-226-3440

Sheriff

Deryl Loar

www.ircsheriff.org

4055 41st Ave.

Vero Beach, FL 32960

772-569-6700

State Elected Officials

Governor

Rick Scott

www.flgov.com

850-717-9337

Lieutenant Governor

Carlos Lopez-Cantera

www.flgov.com

850-488-7146

Attorney General

Pam Bondi

www.myfloridalegal.com

1-866-966-7226

Chief Financial Officer

Jimmy Patronis

www.myfloridacfo.com

1-877-693-5236

Commissioner of Agriculture

Adam Putnam

www.freshfromflorida.com

1-800-435-7352

State Attorney

19th Judicial Circuit

Bruce Colton

www.sao19.org

772-226-3300

Public Defender

19th Judicial Circuit

Diamond R. Litty

www.pd19.org

772-770-5080

State Senate – District 17

Debbie Mayfield

www.flsenate.gov/senators/s17

772-226-1970

House of Representatives

District 54

Erin Grall

www.myfloridahouse.gov

772-778-5005

Federal Elected Officials

United States Senator

Bill Nelson

www.billnelson.senate.gov

1-888-671-4091

United States Senator

Marco Rubio

www.rubio.senate.gov

1-866-630-7106

United States Representative

District 8

Bill Posey

www.posey.house.gov

772-226-1701





Prepared under the supervision of:
Jeffrey R. Smith, CPA, CGFO, CGMA
Indian River County
Clerk of the Circuit Court and Comptroller

**For more information about the
Indian River County Clerk of the Circuit Court and Comptroller,
visit the Clerk's website at
www.clerk.indian-river.org**

To search Court Records:

<http://public.indian-river.org>

To search Official Records:

<http://ori.indian-river.org>

For Foreclosure Auctions:

www.indian-river.realforeclose.com

For Tax Deed Auctions:

www.indian-river.realtaxdeed.com

To Apply for a Marriage License:

<http://ori.indian-river.org/marriagekiosk>

To Make Court Payments:

indianrivercotix.com

To Enroll in Property Fraud Alert:

ori.indian-river.org/fraudalert

This report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

**Clerk of the Circuit Court and Comptroller
Attention: Comptroller Division
1801 27th Street
Vero Beach, FL 32960
(772) 226-1516**