



INDIAN RIVER COUNTY



2018 Popular Annual Financial Report

for the Fiscal Year Ended September 30, 2018

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





*Indian River County Administration Building A
Photo courtesy of the Clerk's Office*

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Clerk's Online Services Back Cover

*Cover Photos:
U.S. Navy Blue Angel #5 flying during the Vero Beach Air Show
photo courtesy of Ryan McIver*

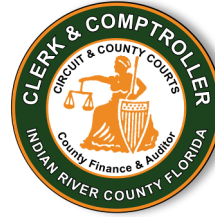
*Pink Hibiscus
photo courtesy of Rick Woodard*

*Pelicans
photo courtesy of the Sebastian River Area Chamber of Commerce*

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, 2018. 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 35 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, 2017

Christopher P. Morill

Executive Director/CEO

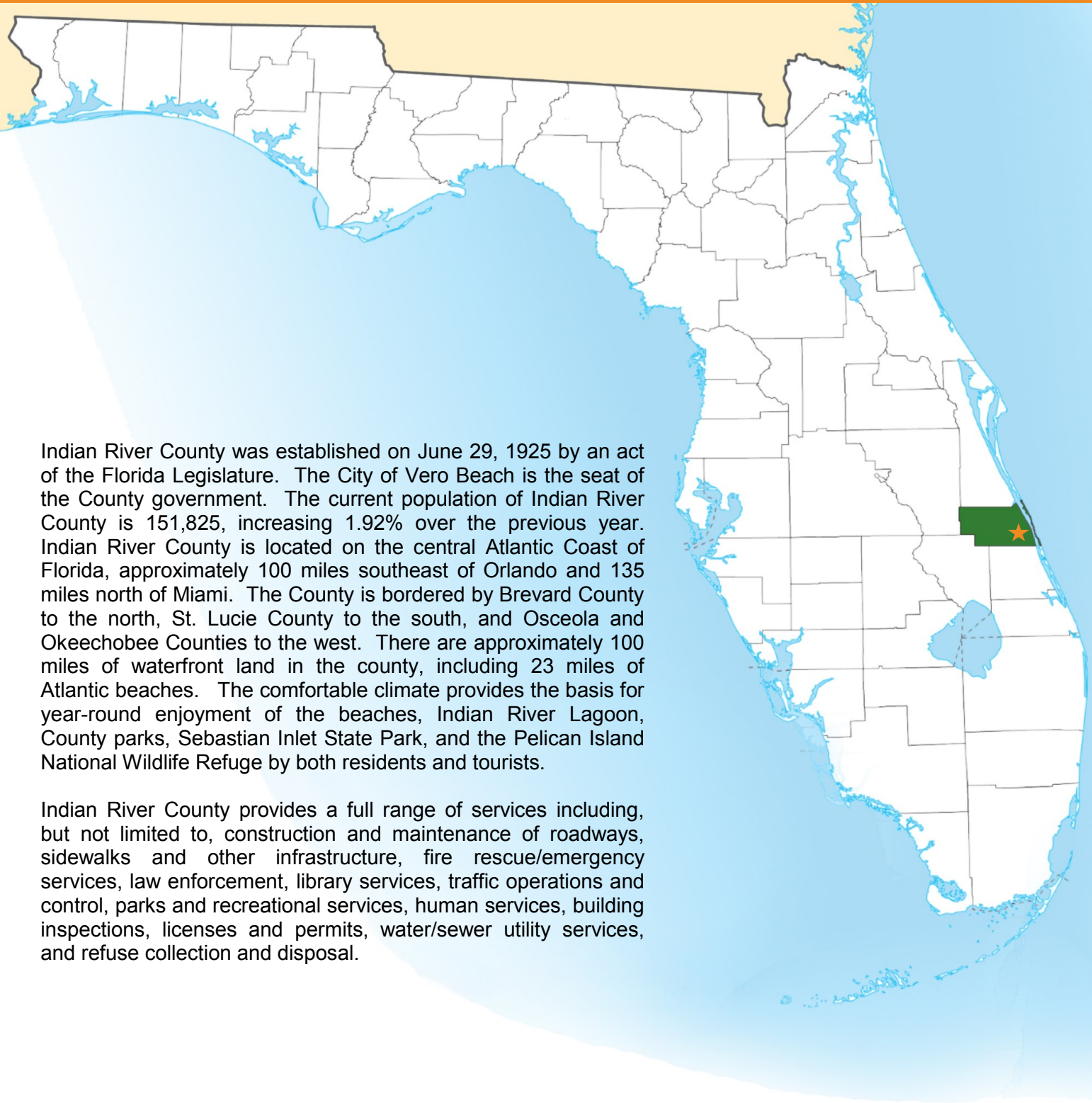
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Indian River County, Florida for its Popular Annual Financial Report for the fiscal year ended September 30, 2017. The Award for Outstanding 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 3 consecutive years (fiscal years ended 2015-2017). 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 151,825, increasing 1.92% 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.

The recently completed Trans-Florida Central Railroad Trail is a 2-mile path connecting pedestrians and bicyclists between the North County Regional Park to the Fellsmere Trailhead Preserve.

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



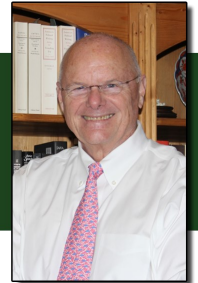
Joseph E. Flescher
District 2



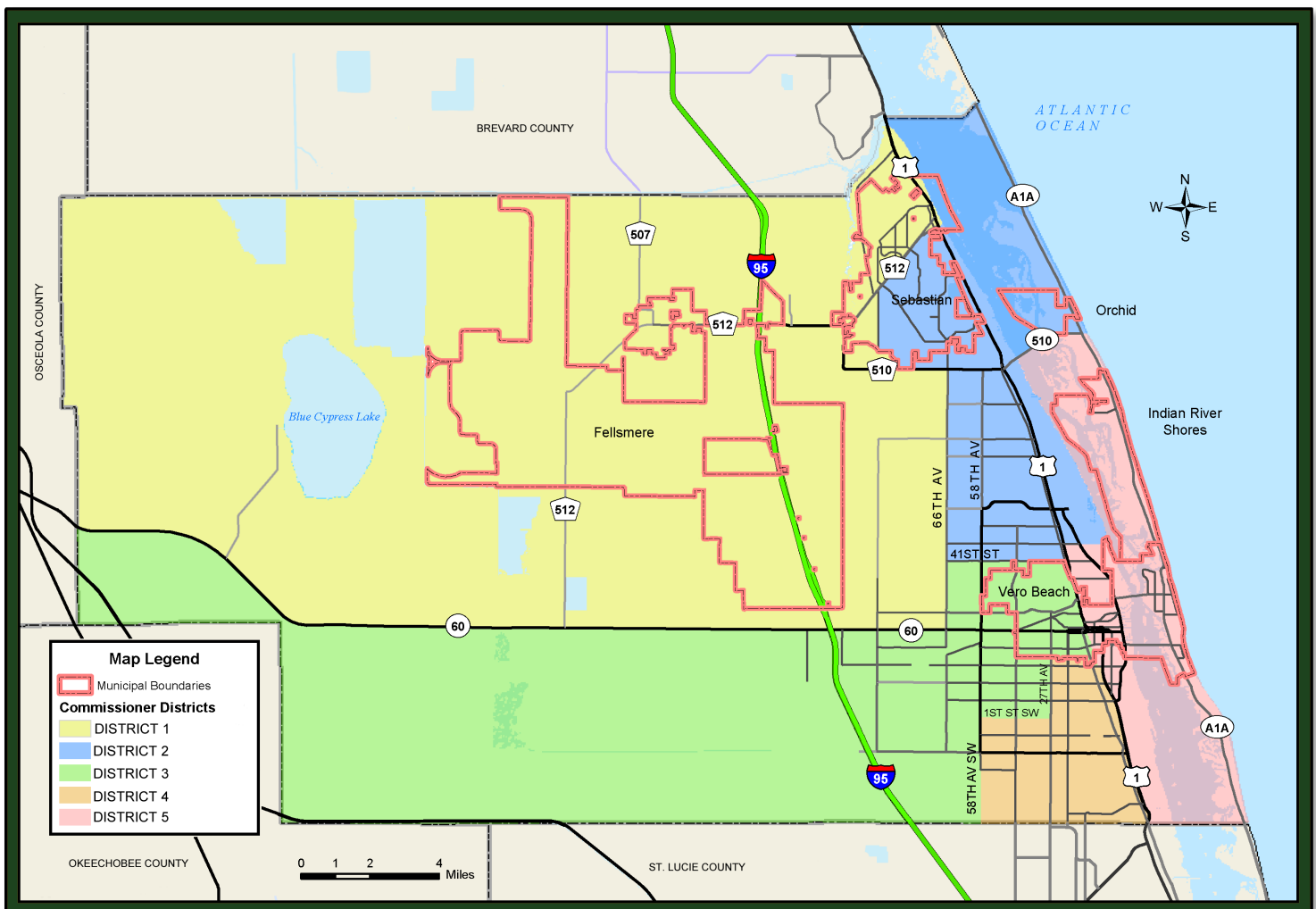
Tim Zorc
District 3



Peter D. O'Bryan
District 4



Bob Solari
District 5



ELECTED CONSTITUTIONAL OFFICERS



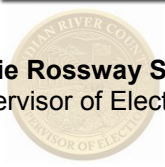
Deryl Loar
Sheriff



Carole Jean Jordan
Tax Collector



Wesley Davis
Property Appraiser

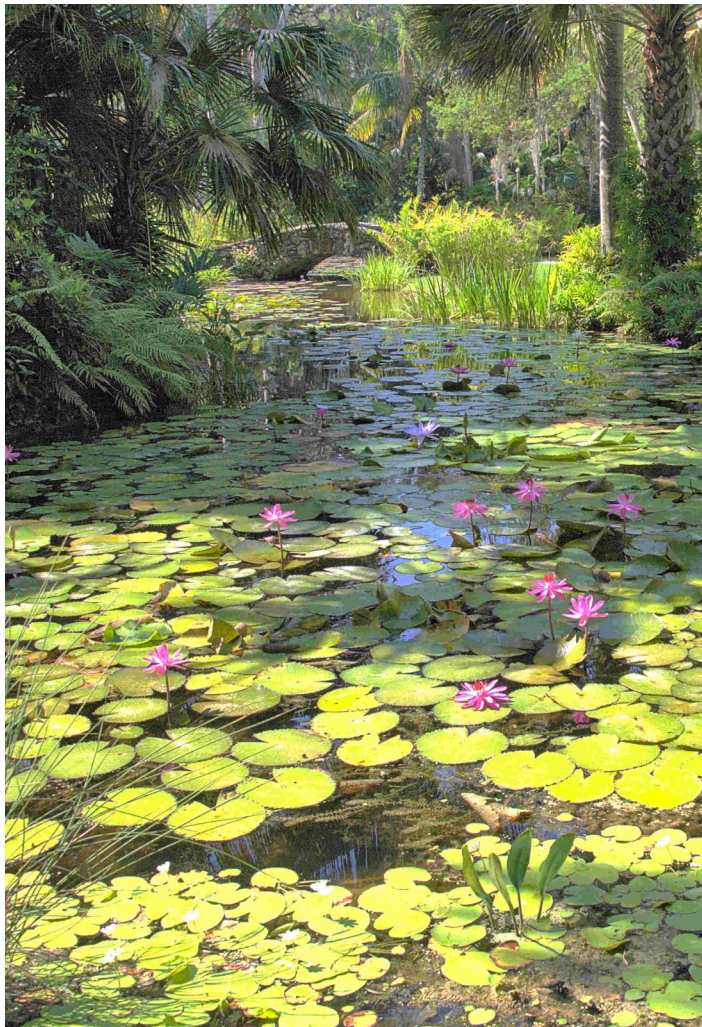


Leslie Rossway Swan
Supervisor of Elections



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.



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 May 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 in July 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.

Water lilies at the historic and scenic McKee Botanical Gardens

Photo courtesy of Rick Woodard

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Listed below 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.

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 will construct 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 \$3 million from the Utilities operating fund.

Landfill Expansion and Partial Closure: The construction of Cell 2 of Segment 3 (approximately 10.6 acres in size), partial closure of Segment 2 (approximately 25 acres in size) and expansion of the landfill gas system is underway at a cost of approximately \$16 million.

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.

58th Avenue Resurfacing from 26th Street to 49th Street: The \$2.8 million proposed improvements to 58th Avenue from north of 26th Street to south of 49th Street consist of reconstructing the roadway utilizing full depth reclamation, milling and resurfacing, widening the existing shoulders to 5-feet, structural asphalt, surface asphalt, minor drainage improvements, utility adjustments, signage, and pavement markings. This project is an Florida Department of Transportation Small County Outreach Program funded project.

North County Office at Sebastian Corners Renovations: Improvements and renovations to the existing commercial plaza known as Sebastian Corners are being done for the relocation of the North County offices at a cost of \$1.8 million and funded by the optional sales tax fund.

Countywide Meter Replacement Program: Indian River County Department of Utility Services is currently working on a countywide meter replacement program to replace over 32,000 manual read meters, many of which are over 20 years old. Aging manual read meters are being replaced with an Automated Meter Reading (AMR) solution. With AMR, a meter read is obtained by driving by a location and automatically receiving the meter read via a hand held meter reading device, tablet, or laptop computer.

Major projects or initiatives that were completed during fiscal year 2018 are listed below:

Fire Station #14: The \$2.6 million facility on 26th Street was opened to accommodate new growth and development in the County.

Administration Buildings Roof Replacements: The roof replacements of County Administration Buildings A & B were completed at a cost of \$1.8 million.

Vero Lake Estates Sidewalks: The 87th Street and 91st Avenue sidewalk and drainage improvements were constructed at a cost of \$1.2 million.

County Road 512 Resurfacing: The \$3.5 million project consisted of dual resurfacing of the westbound lanes from Roseland Road to US Highway 1 and the eastbound lanes from Easy Street to US Highway 1.



The U.S. Navy Blue Angels in flight during the Vero Beach Air Show

Photo courtesy of Ryan McIver

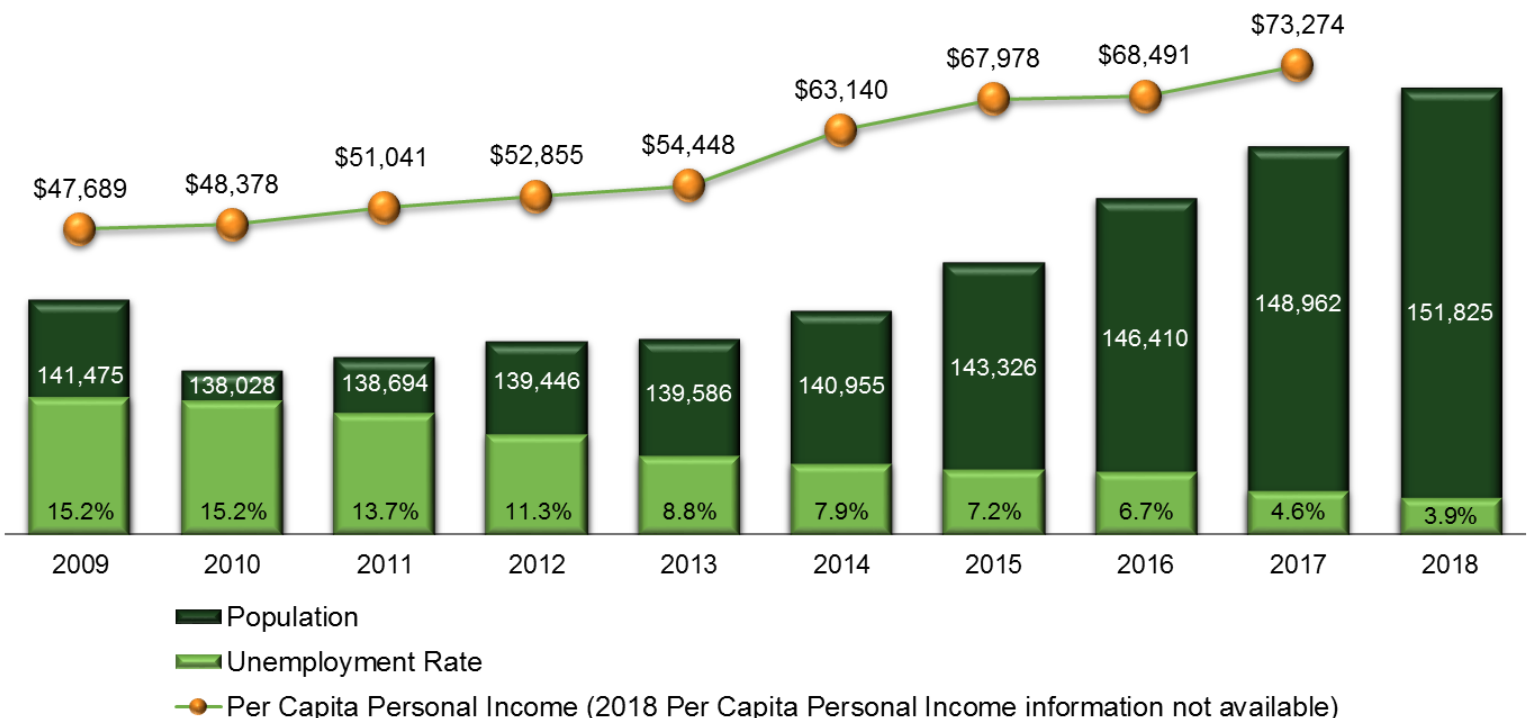
LOCAL ECONOMY

PRINCIPAL EMPLOYERS	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1. School District of Indian River County	2,407	3.95%
2. Indian River Medical Center	2,099	3.45%
3. Indian River County*	1,543	2.53%
4. Publix Supermarkets	1,300	2.14%
5. Piper Aircraft Inc.	995	1.63%
6. Wal-Mart	736	1.21%
7. Sebastian River Medical Center	595	0.98%
8. John's Island	580	0.95%
9. Medical Data Systems	500	0.82%
10. Visiting Nurse Association	432	0.71%
Principal Employers' Total:	11,187	18.37%
Total Employed in County:	60,878	

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 \$16.3 billion in 2017 to \$17.3 billion in 2018. Construction activity also saw an increase with 8.5% more building permits issued for new construction in 2018 over 2017. The population of the County has been steadily increasing, growing to 151,825 in 2018. Unemployment has been decreasing, falling from 4.6% in 2017 to 3.9% in 2018. 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 9.93% 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

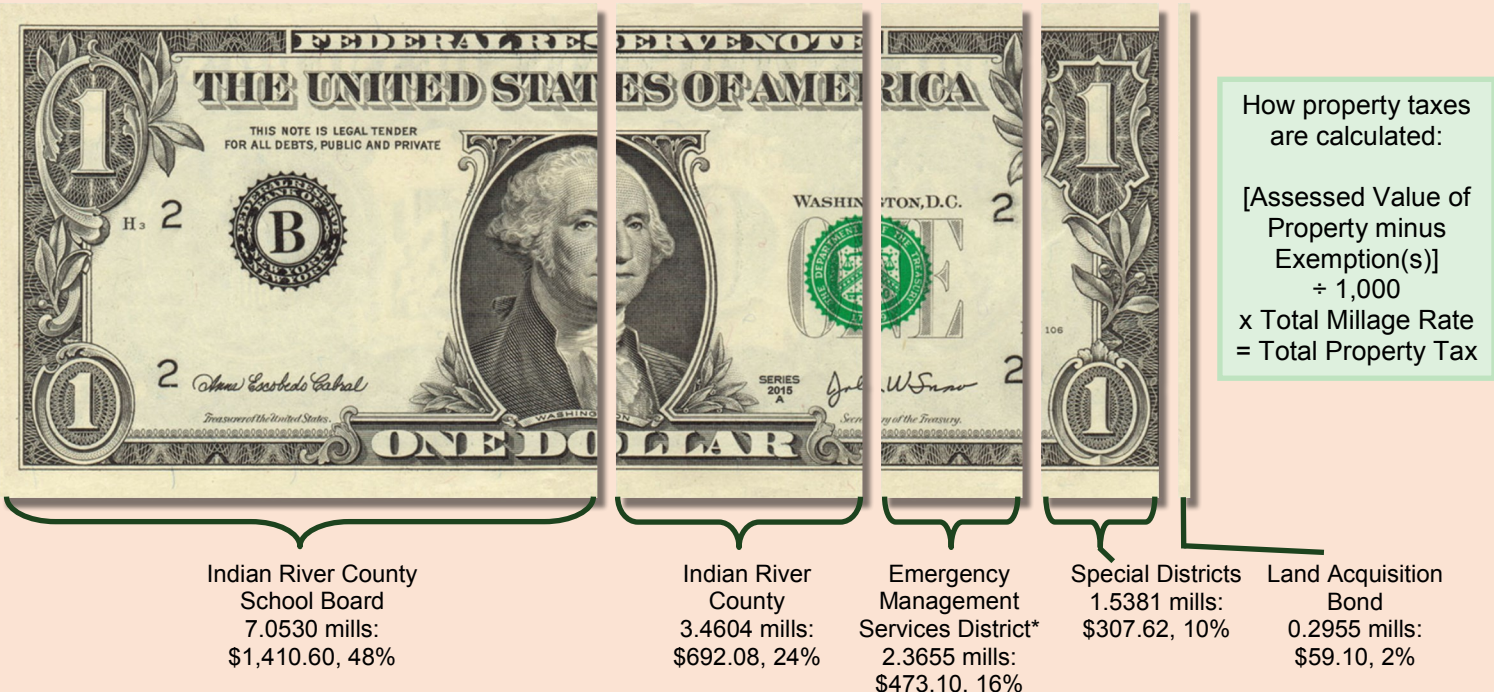
The Board of County Commissioners and other taxing entities each set a property tax rate called a “millage rate”. This rate is used to calculate overall property taxes. A “mill” is equal to \$1 of tax for every \$1,000 of assessed property value. **The picture below illustrates how each dollar of the 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	\$192,685,228	1.11%
2. Disney Vacation Dev. Inc.	80,025,233	0.46%
3. Windsor Properties	52,726,250	0.30%
4. Johns Island Club, Inc.	41,807,484	0.24%
5. Adult Communities Total Services, Inc.	29,988,697	0.17%
6. Bellsouth Telecommunications	27,475,005	0.16%
7. Welltower TCG Ridea Landlord, LLC	26,506,098	0.15%
8. TSO Vero Beach, LP	26,064,227	0.15%
9. MPT of Sebastian-Steward, LLC	22,859,259	0.13%
10. MHC Village Green, LLC	21,712,643	0.12%
Principal Taxpayers' Total:	521,850,124	2.99%
Total County Taxable Valuation:	\$17,381,933,356	

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: \$2,942.50

*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 \$1,003.2 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 \$751.4 million, or 75% of the County's net position. Restricted net position totaled \$159.4 million, or 16%, which represents resources that are subject to external restrictions on how they may be used. The remaining \$92.4 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 net OPEB liability is now reflected on the financial statements, resulting in a decrease in unrestricted net position.

	2018	2017	Increase (Decrease)
Assets			
Current and other assets	\$413.6	\$392.6	\$21.0
Capital assets	786.1	787.2	(1.1)
Total Assets	\$1,199.7	\$1,179.8	19.9
Deferred Outflows of Resources	59.0	59.1	(0.1)
Liabilities			
Other liabilities	157.4	149.0	8.4
Long-term liabilities	73.7	80.7	(7.0)
Total liabilities	231.1	229.7	1.4
Deferred Inflows of Resources	24.4	8.7	15.7
Net Position			
Net investment in capital assets	751.4	744.7	6.7
Restricted	159.4	150.1	9.3
Unrestricted	92.4	105.7	(13.3)
Total net position	\$1,003.2	\$1,000.5	\$2.7
<i>(Chart in millions)</i>			

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. During fiscal year 2018, the County implemented Government Accounting Standards Board (GASB) Statement NO. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of this Statement is to improve accounting and financial reporting by state and local government for postemployment benefits other than pensions.

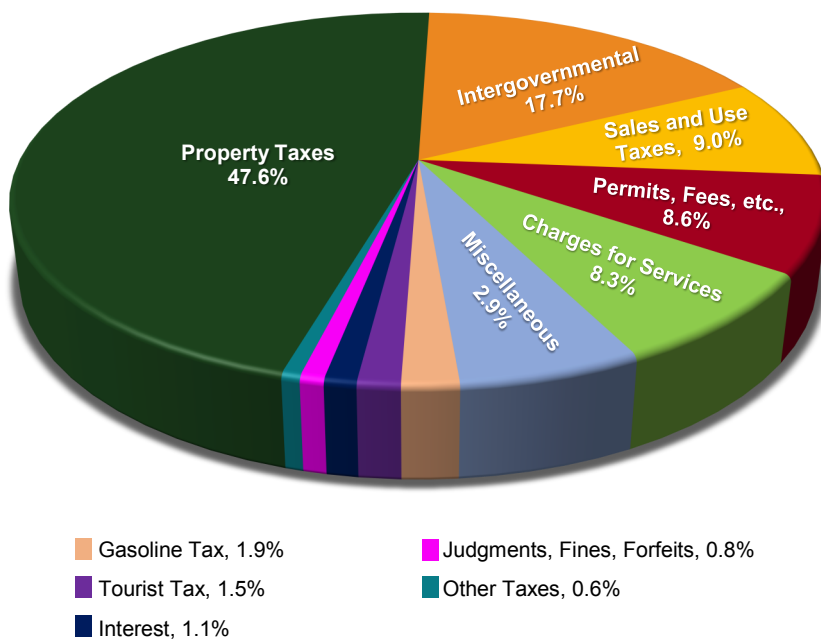
	2018	2017	Increase (Decrease)	Percent Change
REVENUES				
Program revenues:				
Charges for services	\$82.8	\$78.1	\$4.7	6.0%
Operating grants/contributions	30.3	33.6	(3.3)	-9.8%
Capital grants/contributions	13.9	12.9	1.0	7.8%
General revenues:				
Property taxes	98.6	90.2	8.4	9.3%
Sales taxes	27.1	25.6	1.5	5.9%
Franchise fees	9.4	9.1	0.3	3.3%
Other	7.0	5.0	2.0	40.0%
Total revenues	269.1	254.5	14.6	5.7%
EXPENSES				
General Government	28.3	25.9	2.4	9.3%
Public safety	86.0	83.3	2.7	3.2%
Physical environment	1.6	2.3	(0.7)	-30.4%
Transportation	34.9	28.9	6.0	20.8%
Economic environment	0.4	0.4	0.0	0.0%
Human services	9.3	8.0	1.3	16.3%
Culture/recreation	15.4	16.0	(0.6)	-3.8%
Court related	7.0	7.3	(0.3)	-4.1%
Interest and fiscal charges	0.7	0.8	(0.1)	-12.5%
Water and sewer	38.3	38.6	(0.3)	-0.8%
Solid waste	15.7	14.5	1.2	8.3%
Golf course	2.8	2.7	0.1	3.7%
Building	3.9	3.5	0.4	11.4%
Total expenses	244.3	232.2	12.1	5.2%
Increase (decrease) in net position	24.8	22.3	2.5	11.2%
Net position - beginning	1,000.5	978.2	22.3	2.3%
Restatement to implement GASB 75	(22.1)	-	(22.1)	
Net position - ending	\$1,003.2	\$1,000.5	\$2.7	0.3%
<i>(Chart in millions)</i>				

GOVERNMENTAL FUNDS

REVENUES

REVENUE SOURCES	2018	2017
Property Taxes	\$98,639,443	\$90,192,496
Intergovernmental	\$36,535,393	30,031,350
Sales & Use Taxes	\$18,708,376	17,623,741
Permits, Fees, and Special Assessments	\$17,825,047	15,900,775
Charges for Services	\$17,133,195	16,006,929
Miscellaneous	\$5,891,296	6,392,927
Gasoline Tax	\$4,024,001	3,821,095
Tourist Tax	\$3,025,487	2,817,766
Interest	\$2,273,375	1,287,415
Judgments, Fines, Forfeits	\$1,697,085	1,620,964
Other Taxes	\$1,325,729	1,302,302
Total Revenues	\$207,078,427	\$186,997,760

Overall, general revenues for fiscal year 2018 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 \$98.6 million, or 47.6%, of Governmental Funds revenues in 2018. This is an increase of \$8.4 million from fiscal year 2017. Intergovernmental increased by \$6.5 million due to an increase in grant revenues.



EXPENDITURES

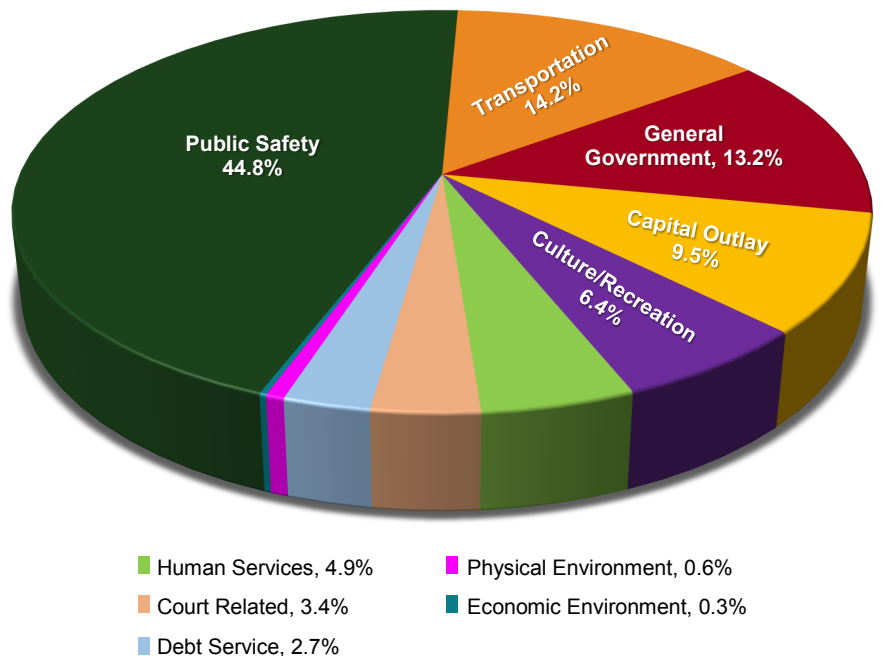
Expenditures for fiscal year 2018 totaled \$189.8 million, which was a 4.7% increase over the previous year. By far, the largest expenditure of County funds is for Public Safety, increasing this year mainly due to increased salaries and benefits. Capital Outlay increased by \$5.2 million over fiscal year 2017 due to the Osprey Acres Stormwater Park and Nature Preserve Project. Human Service increased by \$1.2 million due to increased SHIP purchase assistance and rehab loans.

EXPENDITURES	2018	2017
Public Safety	\$85,158,140	\$83,397,539
Transportation	26,900,384	26,562,596
General Government	25,016,607	24,681,861
Capital Outlay	17,978,862	12,777,795
Culture/Recreation	12,089,937	12,013,338
Human Service	9,302,125	8,116,910
Court Related	6,540,045	6,755,050
Debt Service	5,270,153	5,230,520
Physical Environment	1,131,396	1,300,862
Economic Environment	426,085	437,031
Total Expenditures	\$189,813,734	\$181,273,502



Replaced roofs on County Administration Building A

Photo courtesy of the Clerk's Office



GENERAL FUND

The General Fund is the chief operating fund of the County. The ending fund balance as of September 30, 2018 was \$51.6 million.

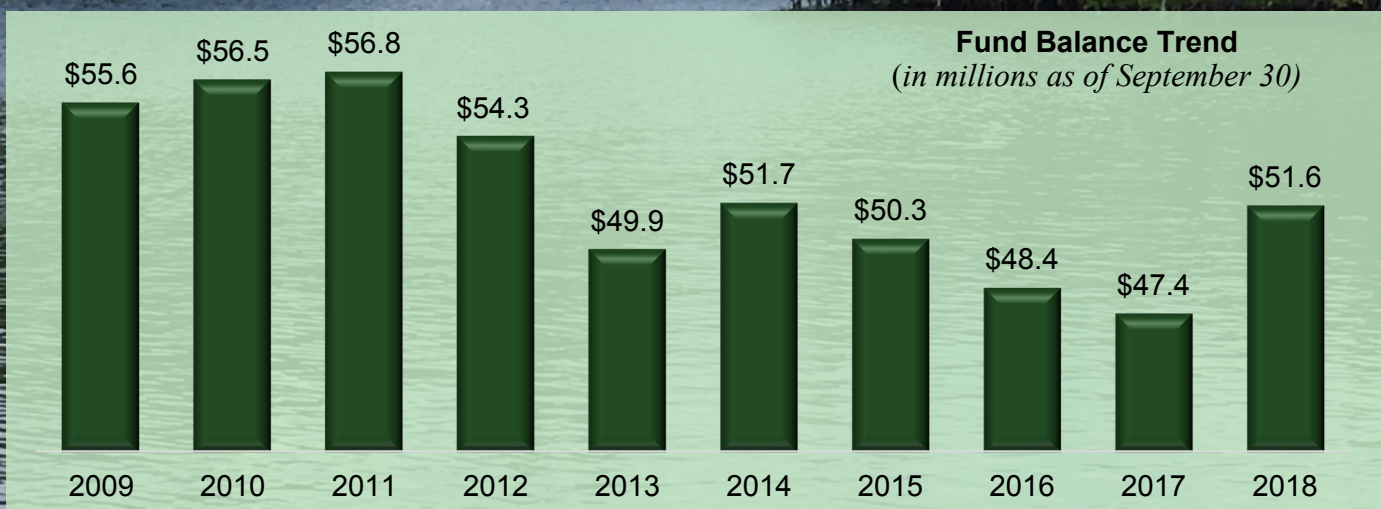
In 2010, the County implemented the Governmental Accounting Standards Board (GASB) Statement 54. The objective of Statement 54 is to provide clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

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

	2018	2017
Nonspendable	\$976,972	\$1,183,875
Restricted	1,139,811	1,246,278
Committed	1,627,628	1,655,789
Unassigned	47,904,588	43,334,507
Total	\$51,648,999	\$47,420,449



Round Island Park's boardwalk.

Photo courtesy of Laura McIver

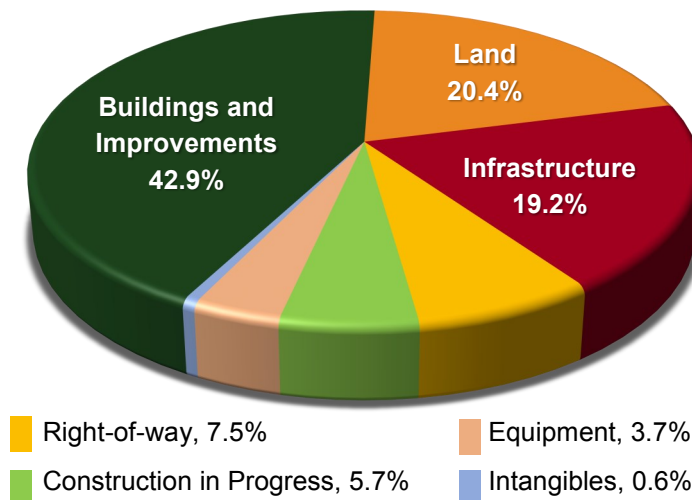
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$63,897,259	\$63,897,259	\$64,911,751	\$1,014,492
Permits, fees and special assessments	8,776,100	8,776,100	9,763,658	987,558
Intergovernmental	13,001,897	17,833,126	20,548,487	2,715,361
Charges for services	8,622,908	8,395,055	8,587,569	192,514
Judgments, fines and forfeits	1,014,115	1,014,115	1,235,819	221,704
Interest	199,495	199,495	710,088	510,593
Miscellaneous	4,090,431	4,216,994	4,701,257	484,263
Total revenues	99,602,205	104,332,144	110,458,629	6,126,485
Expenditures				
General government	21,666,074	23,530,149	22,672,669	857,480
Public safety	48,962,216	49,773,642	49,339,249	434,393
Physical environment	411,403	453,158	391,427	61,731
Transportation	1,083,333	6,769,663	4,702,480	2,067,183
Economic environment	459,863	463,885	423,432	40,453
Human services	5,059,135	5,079,353	4,755,503	323,850
Culture/recreation	9,916,993	12,159,989	9,879,282	2,280,707
Court related	5,880,586	5,790,328	5,956,511	(166,183)
Total expenditures	93,439,603	104,020,167	98,120,553	5,899,614
Excess of revenues over (under) expenditures	6,162,602	311,977	12,338,076	12,026,099
Other Financing Sources (Uses)				
Insurance Recoveries	-	-	48,801	48,801
Transfers in	1,521,700	2,336,376	2,313,435	(22,941)
Transfers out	(10,464,042)	(10,473,176)	(10,471,762)	1,414
Total other financing sources (uses)	(8,942,342)	(8,136,800)	(8,109,526)	27,274
Net change in fund balances	(2,779,740)	(7,824,823)	4,228,550	12,053,373
Fund balances at beginning of year	2,779,740	7,824,823	47,420,449	
Fund balances at end of year	-	-	\$51,648,999	

This chart shows the original and final amended budget for the General Fund for fiscal year 2018. There was an \$10.5 million increase in operating appropriations between the original and final amended budget. This included \$5.6 million grants appropriations and prior year rollovers for the Senior Resource Association (SRA) to provide County-wide public transportation, \$1.5 million for capital improvements and purchases at recreational facilities, \$0.6 million for All Aboard Florida legal and professional services, \$0.5 million in building and equipment maintenance including purchase of a portable generator, and \$0.3 million in Hurricane Irma sheltering costs. Actual expenditures for the fiscal year 2018 were \$5.9 million lower than anticipated. This included \$2.1 million in SRA grant costs not yet expended, \$1.6 million in unspent professional and other contractual services, \$1.1 million in unspent recreational capital expenditures, and \$0.4 million in unspent salary and benefits expenditures.

CAPITAL ASSETS

CAPITAL ASSETS	2018	2017
Buildings and Improvements	\$336.5	\$348.2
Land	160.5	162.0
Infrastructure	151.0	156.2
Right-of-Way	59.3	58.6
Construction in Progress	45.2	34.0
Equipment	29.2	23.5
Intangibles	4.4	4.7
Total Capital Assets	\$786.1	\$787.2

(Chart in millions)



The County Commissioners and the County Administrator at the Fire Station #14 opening ceremony

Photos courtesy of the Indian River County Emergency Services Department

The County's investment in capital assets for its governmental and business-type activities on September 30, 2018 amounted to \$786.1 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 2018 was less than 1% over the previous year.

Fiscal year 2018 saw an increase in equipment primarily due to the purchase of heavy roadway equipment and vehicles (\$1.2 million) and fire rescue vehicles and equipment (\$3.8 million). There was an increase in construction in progress due to the Osprey Acres Stormwater and Nature Preserve project (\$4.0 million) and the 800mhz P25 compliance project (\$1.6 million).



DEBT

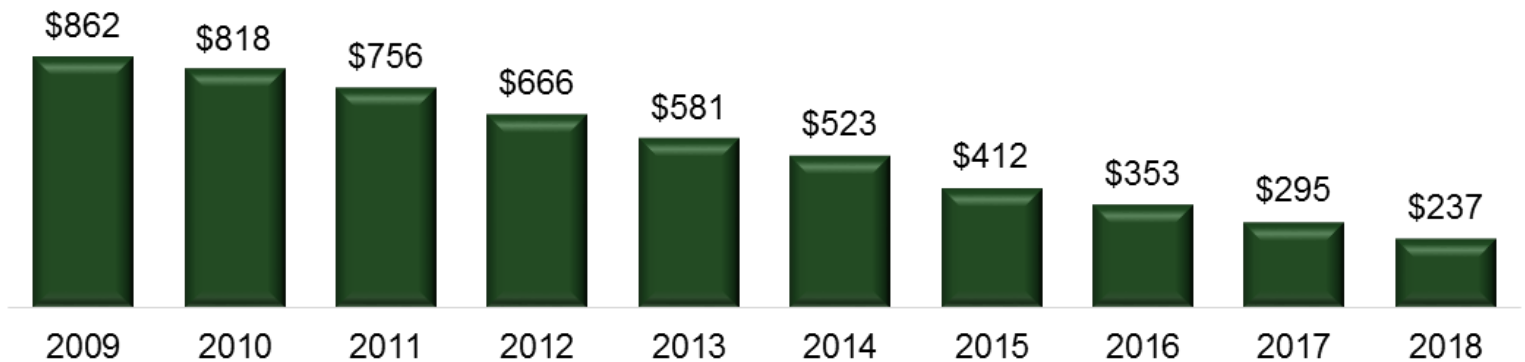
At the end of fiscal year 2018, the County had \$35.9 million in outstanding long-term debt. Of this amount, \$11.5 million is debt backed by the full faith and credit of the government. Outstanding debt decreased by \$8.0 million during fiscal year 2018 due to scheduled annual debt payments.

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 2018.

	2018	2017
General Obligation Debt		
Limited General Oblig. Note, Series 2015	\$11.5	\$15.7
Revenue Bonds/Notes		
Spring Training Facility, Series 2001	5.7	6.2
Water and Sewer Rev. Note, Series 2015	4.2	5.2
Water and Sewer Ref. Rev., Series 2009	14.5	16.8
Total	\$35.9	\$43.9

(Chart in millions)

Debt Per Capita



CASH AND INVESTMENTS



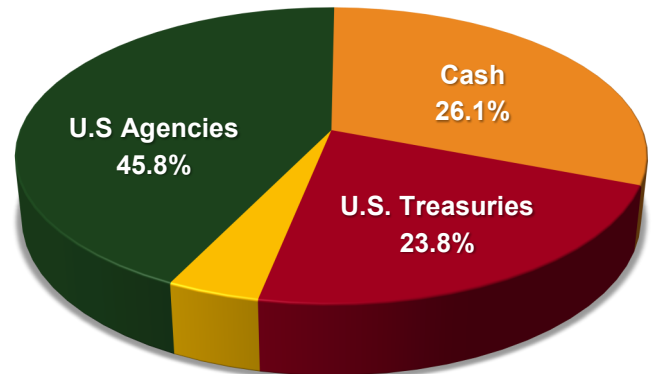
A small stretch of Indian River County's Atlantic beachfront.

Photo courtesy of the Clerk's Office

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 \$4.1 million in interest income in fiscal year 2018.

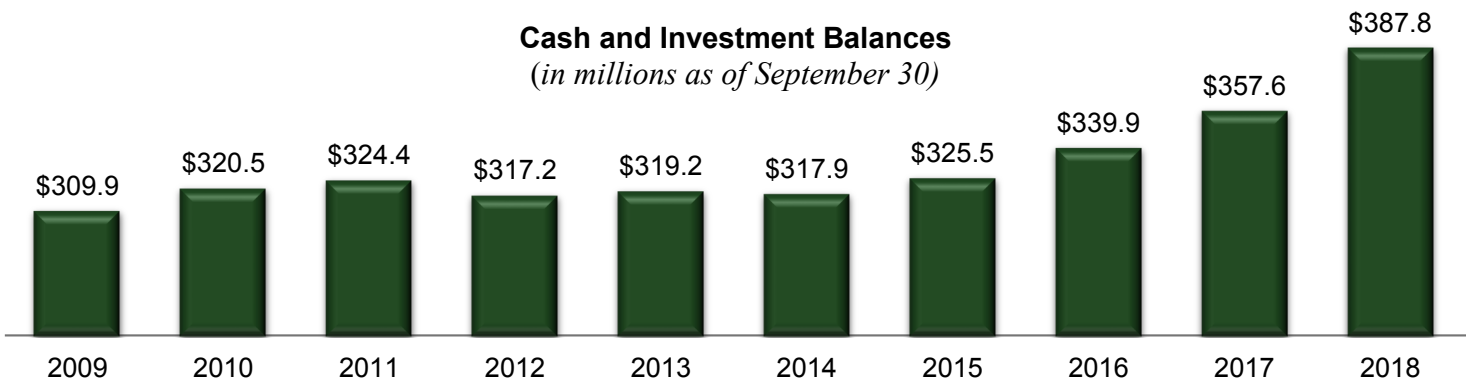
Cash and investments totaled \$387.8 million as of September 30. Cash reported on the financial statements includes bank deposits, cash on hand, certificates of deposit, money market accounts, and all highly liquid investments with maturities of ninety days or less when purchased. Total cash was \$101.2 million. Investments consist of U.S. Treasury Securities and U.S. Government Agency Securities. Other Market Rate Investments consist of the Florida Trust Day to Day Fund, Florida PRIME, and FLCLASS. Investments totaled \$286.7 million and the weighted average maturity was 1.06 years.

CASH & INVESTMENTS	AMOUNT	PERCENTAGE OF PORTFOLIO
U.S. Agencies	\$177,659,706	45.8%
Cash	101,188,242	26.1%
U.S. Treasuries	92,136,914	23.8%
Other Market Rate Investments	16,858,621	4.3%
Total:	\$387,843,483	100%



Other Market Rate Investments, 4.3%

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



ROLE OF THE CLERK



Alligator and turtle 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

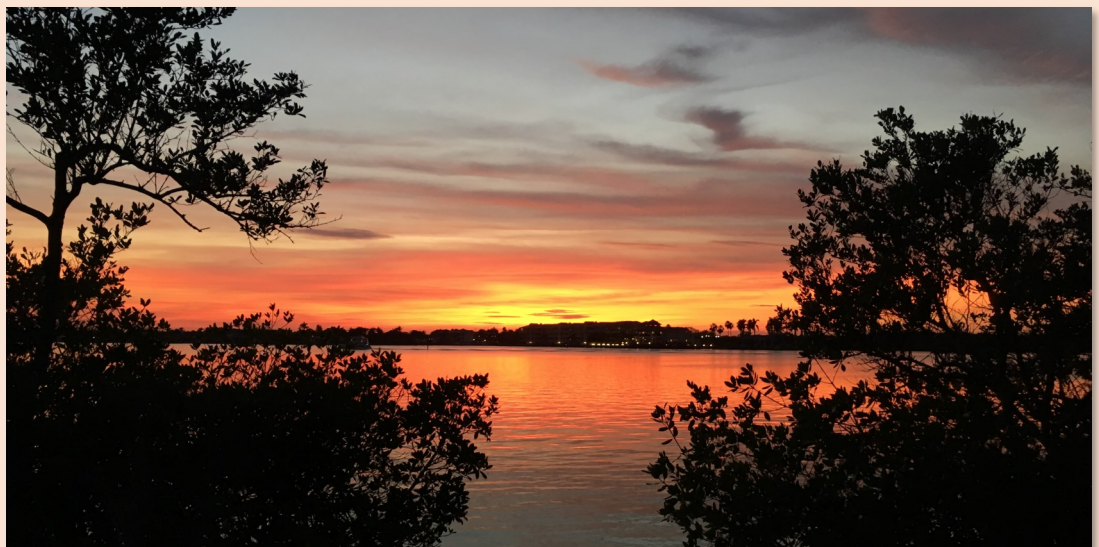
Funds set aside for a specific purpose due to legal or external requirements.

Unrestricted

Funds available for the County to use for operations.

*Sunset over the Indian River
Photo courtesy of the Clerk's Office*

*Opposite page: Statue honoring Paul
Krogel, the first warden and refuge
manager of Pelican Island
Photo courtesy of the Sebastian River
Area Chamber of Commerce*



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

Wesley Davis

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

Ron DeSantis

www.flgov.com

850-717-9337

Lieutenant Governor

Jeanette Nuñez

www.flgov.com

850-488-7146

Attorney General

Ashley Moody

www.myfloridalegal.com

1-866-966-7226

Chief Financial Officer

Jimmy Patronis

www.myfloridacfo.com

1-877-693-5236

Commissioner of Agriculture

Nicole "Nikki" Fried

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

Rick Scott

www.rickscott.senate.gov

202-224-5274

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**