PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 18, 2026

NEW ISSUE – BOOK-ENTRY ONLY **RATING: See "RATING" herein**

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX MATTERS," interest on the Series 2026 Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes except as otherwise described herein under the caption "TAX MATTERS," and (b) not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, interest on the Series 2026 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. See "TAX MATTERS" herein for a general discussion of Bond Counsel's opinion and other tax considerations.

$60,160,000*
MARION COUNTY, FLORIDA
Infrastructure Sales Surtax Revenue Bonds, Series 2026

Dated: Date of Delivery **Due: October 1 (as shown on inside cover)**

Marion County, Florida (the "County") is issuing its Infrastructure Sales Surtax Revenue Bonds, Series 2026 (the "Series 2026 Bonds") in fully registered form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). Individual purchases will be made in book-entry form only in denominations of $5,000 and any integral multiple thereof. Actual purchasers of the Series 2026 Bonds (the "Beneficial Owners") will not receive physical delivery of the Series 2026 Bonds. Transfer of ownership in the Series 2026 Bonds will be affected by DTC's book-entry system as described herein. As long as Cede & Co. is the registered owner as nominee of DTC, principal and interest payments will be made directly to such registered owner which will in turn remit such payments to the Participants (as defined herein) for subsequent disbursement to the Beneficial Owners. Interest due with respect to the Series 2026 Bonds is payable semiannually on April 1 and October 1 of each year, commencing April 1, 2027, by check or draft of Western Alliance Trust Company, N.A., a national banking association, Phoenix, Arizona, as the Paying Agent and Registrar. At the request and expense of any holder of $500,000 or more in aggregate principal amount of Series 2026 Bonds, interest shall be paid by wire transfer on an interest payment date as described herein. The principal of, redemption premium, if any, and interest on the Series 2026 Bonds will be payable upon presentation and surrender thereof at the corporate trust office of the Paying Agent.

The Series 2026 Bonds are being issued pursuant to the Florida Constitution, Chapter 125, Florida Statutes, Section 212.055, Florida Statutes, and other applicable provisions of law (the "Act"), and pursuant to Resolution No. 26-R-325 adopted by the Board of County Commissioners of the County (the "Board") on September 15, 2026, as amended and supplemented from time to time (the "Resolution"), for the purposes of (i) financing and/or reimbursing the costs of the 2026 Project (as defined herein) and (ii) paying the costs of issuance of the Series 2026 Bonds. See "THE 2026 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein. All capitalized undefined terms used herein shall have the meaning ascribed thereto in the Resolution.

The Series 2026 Bonds are subject to optional redemption prior to maturity, as described herein. See "DESCRIPTION OF THE SERIES 2026 BONDS- Optional Redemption" herein.

The Series 2026 Bonds will be payable solely from and secured by a lien upon and pledge of (1) the Infrastructure Sales Surtax Revenues, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in funds and accounts established under the Resolution except (A) for the Unrestricted Revenue Account and the Rebate Fund and (B) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively the "Pledged Funds").

THE SERIES 2026 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE COUNTY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE COUNTY, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT SET FORTH IN THE RESOLUTION. NO HOLDER OF ANY SERIES 2026 BONDS SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2026 BONDS, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2026 BONDS FROM ANY MONEYS OF THE COUNTY EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.

This cover page contains certain information for quick reference only. It is not a summary of the transaction. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2026 Bonds are offered when, as and if issued and received by the Underwriters and subject to the approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed on for the County by Matthew G. Minter, Esq., County Attorney, and by Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel to the County. PFM Financial Advisors LLC, Orlando, Florida is Municipal Advisor to the County in regard to the issuance of the Series 2026 Bonds. Certain legal matters will be passed upon for the Underwriters by GrayRobinson P.A., Tampa, Florida. It is expected that settlement for the Series 2026 Bonds will occur through the facilities of DTC on or about __________, 2026.

J.P. Morgan

BofA Securities **Raymond James** **Wells Fargo Securities**

Dated: __________, 2026

*Preliminary, subject to change.

$60,160,000*
MARION COUNTY, FLORIDA
Infrastructure Sales Surtax Revenue Bonds,
Series 2026

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS, PRICES
AND INITIAL CUSIP NUMBERS

$60,160,000* Serial Series 2026 Bonds

Maturity (October 1)*	Amount*	Interest Rate	Yield	Price	Initial CUSIP Numbers**
2027	$2,065,000	%			
2028	2,250,000				
2029	2,360,000				
2030	2,480,000				
2031	2,600,000				
2032	2,735,000				
2033	2,870,000				
2034	3,015,000				
2035	3,165,000				
2036	3,320,000				
2037	3,490,000				
2038	3,660,000				
2039	3,845,000				
2040	4,035,000				
2041	4,240,000				
2042	4,450,000				
2043	4,675,000				
2044	4,905,000				

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* Preliminary, subject to change.

** Neither the County nor the Underwriters are responsible for the use of the CUSIP Numbers referenced herein nor is any representation made by the County nor the Underwriters as to their correctness. The CUSIP Numbers provided herein are included solely for the convenience of the readers of this Official Statement.

MARION COUNTY, FLORIDA
MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS

Carl Zalak, III, Chairman
Matt McClain, Vice Chairman
Kathy Bryant, Commissioner
Craig Curry, Commissioner
Michelle Stone, Commissioner

CLERK OF COURT AND COMPTROLLER
Gregory C. Harrell

FINANCE DIRECTOR
Jennifer Cole

COUNTY ATTORNEY
Matthew G. Minter, Esq.

COUNTY ADMINISTRATOR
Mounir Bouyounes, P.E.

BOND COUNSEL
Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

DISCLOSURE COUNSEL
Bryant Miller Olive P.A.
Tampa, Florida

MUNICIPAL ADVISOR
PFM Financial Advisors LLC
Orlando, Florida

No dealer, broker, salesman or other person has been authorized by the County or the underwriters listed in the section entitled "UNDERWRITING" herein (the "Underwriters") to give any information or to make any representations in connection with the Series 2026 Bonds, other than as contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the County. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The Underwriters have reviewed the information in this Official Statement in accordance with and as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The information set forth herein has been obtained from the County, The Depository Trust Company and other sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the County with respect to any information provided by others. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Series 2026 Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2026 BONDS HAS BEEN FILED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE COUNTY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2026 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD LOOKING STATEMENTS. THE COUNTY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, SUBJECT TO ANY CONTRACTUAL OR LEGAL RESPONSIBILITIES TO THE CONTRARY.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE COUNTY OR THE UNDERWRITERS AND ANY ONE OR MORE OF THE OWNERS OF THE SERIES 2026 BONDS.

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OFFICIAL STATEMENT
relating to

$60,160,000*
MARION COUNTY, FLORIDA
INFRASTRUCTURE SALES SURTAX REVENUE BONDS,
SERIES 2026

INTRODUCTION

General

This introduction is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement and should not be considered to be a complete statement of the facts material to making an investment decision. The offering by Marion County, Florida (the "County") of its $60,160,000* Infrastructure Sales Surtax Revenue Bonds, Series 2026 (the "Series 2026 Bonds") to potential investors is made only by means of the entire Official Statement, including all appendices attached hereto. All capitalized undefined terms used herein shall have the meaning ascribed thereto in "APPENDIX B – Form of the Resolution" attached hereto.

The County

The County covers a land area of 1,588 square miles, making it one of Florida's larger counties. The County is located in the north-central portion of the State of Florida. It is bounded by Alachua County and Putnam County on the north; Lake County and Lake George on the east; Sumter County and Volusia County on the south; and Levy County and Citrus County on the west. The County contains five incorporated municipalities which are Belleview, Dunnellon, McIntosh, Ocala and Reddick. Ocala, the County seat, is located approximately 37 miles south of the University of Florida in Gainesville, 80 miles west of Daytona Beach, 80 miles north of Orlando and 98 miles northeast of Tampa.

The County is a political subdivision of the State of Florida (the "State") governed by the Florida Constitution and state law. The County operates under a commission/administrator form of government led by a five-member Board of County Commissioners elected at large to staggered four-year terms. Five elected constitutional officers—the Clerk of Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector—perform designated governmental functions and are included as blended component units of the County for financial reporting purposes.

The County provides a broad range of governmental services, including law enforcement, fire protection and emergency medical services, corrections, road construction and maintenance, water and wastewater services, solid waste services, parks and recreation, planning and zoning, and economic development programs.

The Ocala Metro continues to experience strong population and economic growth, supported by sustained in-migration, expanding housing demand, and continued investment in public infrastructure. Public school enrollment, residential construction, and multifamily occupancy remain strong, reflecting

* Preliminary, subject to change.

continued household formation and overall market stability. Primary employment growth and capital investment also remain important economic drivers, with significant tracked investment and direct job creation in logistics, manufacturing, and advanced industry.

Healthcare is one of the region's fastest-growing sectors, with recent investments by AdventHealth Ocala, HCA Florida, UF Health, Everest Rehabilitation Hospital, Empath Hospice of Marion, and the College of Central Florida expanding care capacity and supporting workforce development. Tourism remains a consistent economic driver, led by record tourism development tax revenues and continued expansion of the World Equestrian Center, including new conference, dining, hospitality, and event facilities. For additional information regarding the County, see "APPENDIX A -- General Information Regarding the County" attached hereto.

Purpose of the Series 2026 Bonds

The Series 2026 Bonds are being issued for the purposes of (i) financing and/or reimbursing the costs of the 2026 Project (as defined herein), and (ii) paying costs of issuance of the Series 2026 Bonds. See "THE 2026 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Authority for the Series 2026 Bonds

The Series 2026 Bonds are being issued pursuant to the Florida Constitution, Chapter 125, Florida Statutes, Section 212.055, Florida Statutes, and other applicable provisions of law (the "Act"), and pursuant to Resolution No. 26-R-325 adopted by the Board of County Commissioners of the County (the "Board") on September 15, 2026, as amended and supplemented from time to time (the "Resolution").

Description of the Series 2026 Bonds

The Series 2026 Bonds will be issued in fully registered form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). Individual purchases will be made in book-entry form only in denominations of $5,000 and any integral multiple thereof. Actual purchasers of the Series 2026 Bonds (the "Beneficial Owners") will not receive physical delivery of the Series 2026 Bonds. Transfer of ownership in the Series 2026 Bonds will be affected by DTC's book-entry system as described herein. As long as Cede & Co. is the registered owner as nominee of DTC, principal and interest payments will be made directly to such registered owner which will in turn remit such payments to the Participants (as defined herein) for subsequent disbursement to the Beneficial Owners. Interest due with respect to the Series 2026 Bonds is payable semiannually on April 1 and October 1 of each year, commencing April 1, 2027, by check or draft of Western Alliance Trust Company, N.A., a national banking association, Phoenix, Arizona, as the Paying Agent and Registrar.

Security for the Series 2026 Bonds

The Series 2026 Bonds will be payable solely from and secured by a lien upon and pledge of (1) the Infrastructure Sales Surtax Revenues, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established by the Resolution except (A) for the Unrestricted Revenue Account and the Rebate Fund and (B) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively the "Pledged Funds").

The County may issue Additional Bonds on a parity and equal status as to the Pledged Funds with the Series 2026 Bonds subject to compliance with certain conditions set forth in the Resolution. The Series 2026 Bonds together with any Additional Bonds shall be referred to herein as the "Bonds".

Continuing Disclosure

The County has covenanted for the benefit of Series 2026 Bondholders to provide certain financial information and operating data relating to the County and the Series 2026 Bonds in each year, and to provide notices of the occurrence of certain enumerated material events, in accordance with Rule 15c2-12 of the U.S. Securities and Exchange Commission.

Additional Information

The purpose of this Official Statement, which includes the cover page, inside cover page and the Appendices, is to present information for the offering of the Series 2026 Bonds by the County. Definitions of certain words and terms having initial capitals used herein and in the hereinafter described Resolution are contained in the Form of the Resolution attached as APPENDIX B hereto.

THE 2026 PROJECT

The "2026 Project" means the S.W. 38th/40th Street and N.W.49th Street (Phase 3) road projects, as more particularly described in the plans and specifications on file or to be on file with the County, as the same may be modified or amended from time to time.

FUTURE FINANCINGS

The County anticipates issuing approximately $127 million of Infrastructure Sales Surtax Revenue Bonds, Series 2027 in the first quarter of 2027 as Additional Bonds pursuant to the Resolution, to finance capital projects including without limitation:

S MAGNOLIA AVE AT SE 80TH ST RNDABT: This is a single-lane roundabout project located at the intersection of S Magnolia Ave (S Hwy 475) and SE 80th Street in Ocala. This is a two-lane arterial roadway. It is a feeder road to various other roadways along the route including SW Hwy 484, and SE 52nd St. The project will include right-of-way acquisition, removal of existing overhead flashing beacon, new intersection lighting, redesigning and overlaying the existing roadway, installing new curb and gutter, replacing cross drains and end treatments, reconstructing driveway aprons, sodding shoulders and restriping pavement markings. The design of this project will take approximately twelve months to complete, with the construction taking twelve months to complete.

MARION OAKS MANOR EXTENSION: This capacity project is located on Marion Oaks Manor from SW 49th Avenue, which is a major local roadway in Ocala, to S Highway 475. The widening and extension of Marion Oaks Manor has been identified as a need to support planned development growth and regional traffic patterns within this area of the County. The project is approximately 5.45 miles in length and will consist of adding two lanes with an I-75 flyover. A Project Development and Environment (PD&E) study to evaluate multiple alternatives for the widening of Marion Oaks Manor from two lanes to four lanes and the extension of Marion Oaks Manor via an overpass over I-75 is in progress and will take one year. Project design is expected to take 18 months, and construction will likely take 24-30 months.

NE 35TH ST PH 2: This capacity project is located on NE 35th Street, which is a two-lane collector roadway located in Ocala. The project is approximately 1.2 miles in length, starting at NE Jacksonville Road and ending at NE 25th Avenue. The project will include widening the existing road to four lanes, with a 28-foot wide median, 6-foot-wide concrete sidewalks, 4-foot bike lanes and concrete curb and gutter. The signal at NE 25th Avenue will also be improved. The design of this project will take approximately eight months to complete, with the construction taking 20-26 months to complete.

NW 60TH AVE REHABILITATION: This rehabilitation project is located on NW 60th Avenue from W Highway 40 to N US Highway 27, which is a collector roadway in the northwest area of the County. The project is approximately 2.4 miles in length and is part of a larger 5.0-mile corridor identified for resurfacing due to pavement conditions where patch repairs are providing diminishing returns. This segment is being advanced as a priority to address public concerns and improve long-term roadway performance. The project will include milling and resurfacing the existing pavement, reconstructing driveway aprons, improving drainage as needed, and sodding shoulders. Additional improvements will include restriping pavement markings to enhance safety and extend the service life of the roadway.

NW/NE 35TH ST PH 1B: This capacity project is located on NW/NE 35th Street from 600 feet east of W Anthony Road to NE Jacksonville Road. The project is approximately 0.9 miles in length and will include adding two lanes to NW/NE 35th Street. This project consists of widening the existing 2-lane roadway into a 4-lane divided roadway, with associated improvements including, but not limited to, curb and gutter, concrete sidewalks, medians, storm drainage, drainage retention areas, traffic markings and signals, fences, ditches, berms, relocation of existing utilities, modifications to private improvements, driveways, sewer and water mains. In addition, the signal on NE 35th St at NE Jacksonville Rd will be rebuilt. The design of this project will take approximately 6 months to complete, and right-of-way needs to be acquired. Construction will take 18-24 months to complete.

SW 27TH AVE AT SW 66TH ST ROUNDABT: This is a double lane roundabout project located at the intersection of SW 27th Avenue and SW 66th Street, in Ocala. This roundabout is on a two-lane collector roadway, intersecting with another two-lane collector roadway. SW 27th Avenue is a feeder road to SW 42nd Street, and SW 66th St is a feeder road to SW College Road. This project will include right-of-way acquisition, removal of existing signal, new intersection lighting, installing new curb and gutter, overlaying the existing roadway, replacing cross drains and end treatments, reconstructing driveway aprons, sodding shoulders and restriping pavement markings. The design of this project will take approximately twelve months to complete, with the construction taking twelve months to complete.

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DESCRIPTION OF THE SERIES 2026 BONDS

General

The Series 2026 Bonds shall be issued in fully registered form, in denominations of $5,000 or any integral multiple thereof dated the date of their delivery, will mature on the dates, and will bear interest at the rates per annum, all as set forth on the inside cover page.

Interest on the Series 2026 Bonds is payable semiannually on each April 1 and October 1, commencing April 1, 2027 (the "Interest Dates"). Interest on the Series 2026 Bonds shall be payable by check or draft of Western Alliance Trust Company, N.A., a national banking association, Phoenix, Arizona (the "Paying Agent" and "Registrar"), with respect to the Series 2026 Bonds, made payable and mailed to the Holder in whose name such Series 2026 Bond shall be registered at the close of business on the date which shall be the fifteenth (15th) day (whether or not a business day) next preceding the applicable Interest Date, or, at the request of such Holder, by bank wire transfer to the account of such Holder. Except as otherwise provided in the Resolution, principal of the Series 2026 Bonds is payable to the Holder, at the designated corporate trust office of the Paying Agent. The principal of, redemption premium, if any, and interest on the Series 2026 Bonds are payable in lawful money of the United States of America. All payments of principal and interest on the Series 2026 Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

The Series 2026 Bonds will be issued initially as book-entry obligations and held by DTC as securities depository. For more information regarding DTC and DTC's book-entry system, see "DESCRIPTION OF THE SERIES 2026 BONDS -- Book-Entry Only System" below.

With respect to the Series 2026 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the County, the Registrar and the Paying Agent shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (the "Participants"). Without limiting the immediately preceding sentence, the County, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Series 2026 Bonds, (B) the delivery to any Participant or any other Person other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2026 Bonds, including any notice of redemption, or (C) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, redemption premium, if any, or interest on the Series 2026 Bonds. The County, the Registrar and the Paying Agent shall treat and consider the Person in whose name each Series 2026 Bond is registered in the registration books kept by the Registrar as the Holder and absolute owner of the Series 2026 Bond for the purpose of payment of principal, redemption premium, if any, and interest with respect to such Series 2026 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2026 Bond, for the purpose of registering transfers with respect to such Series 2026 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, redemption premium, if any, and interest on the Series 2026 Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided in the Resolution and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to payment of principal, redemption premium, if any, and interest on the Series 2026 Bonds to the extent of the sum or sums so paid. No Person other than a Holder, as shown in the registration books kept by the Registrar, shall receive a certificated Series 2026 Bond evidencing the obligation of the County to make payments of principal, redemption premium, if any, and interest pursuant to the provisions of the Resolution.

Book-Entry Only System

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE COUNTY BELIEVES TO BE RELIABLE. THE COUNTY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2026 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2026 BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2026 BONDS SHALL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2026 BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2026 BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2026 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2026 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2026 BONDS, AND OTHER RELATED TRANSACTIONS

BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2026 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE COUNTY NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2026 Bond certificate will be issued for each maturity of the Series 2026 Bonds as set forth in the inside cover of this Official Statement, in the aggregate principal amount thereof, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to herein as the "DTC Participants." DTC has an S&P Global Ratings ("S&P") rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the Securities and Exchange Commission (the "SEC"). More information about DTC can be found at www.dtcc.com.

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2026 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and distributions on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such DTC Participant and not of DTC, the Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, the Series 2026 Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2026 Bond certificates will be printed and delivered to DTC.

Optional Redemption

The Series 2026 Bonds maturing on or before October 1, 20__ are not subject to redemption prior to their stated dates of maturity. The Series 2026 Bonds maturing after October 1, 20__, shall be subject to redemption prior to their stated dates of maturity at the option of the County in whole or in part, from such maturities selected by the County (and by lot within a maturity if less than a full maturity) on October 1, 20__, or any date thereafter, at a Redemption Price equal to 100% of the principal amount thereof to be redeemed together with accrued interest to the date fixed for redemption and without premium.

Selection of Series 2026 Bonds to Be Redeemed

The Series 2026 Bonds shall be redeemed only in the principal amount of $5,000 each and integral multiples thereof. The County shall, at least thirty-five (35) days prior to the redemption date (unless a shorter time period is satisfactory to the Registrar, but in no event less than twenty-five (25) days) notify the Registrar of such redemption date and of the principal amount of the Series 2026 Bonds to be redeemed. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Series 2026 Bonds or portions of the Series 2026 Bonds to be redeemed shall be selected not less than twenty-five (25) days prior to the redemption date by the Registrar from the Outstanding Series 2026 Bonds of the maturity or maturities designated by the County or by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of the Series 2026 Bonds or portions of the Series 2026 Bonds in principal amounts of $5,000 and integral multiples thereof. Notwithstanding the foregoing, if less than all of a Term Bond is to be redeemed the aggregate principal amount to be redeemed shall be allocated to the Amortization Installments on a pro-rata basis unless the County, in its discretion, designates a different allocation.

If less than all of the Outstanding Series 2026 Bonds are to be redeemed, the Registrar shall promptly notify the County and Paying Agent (if the Registrar is not the Paying Agent for such Series 2026 Bonds) in writing of the Series 2026 Bonds or portions of the Series 2026 Bonds selected for redemption and, in the case of any Series 2026 Bond selected for partial redemption, the principal amount thereof to be redeemed.

Notice of Redemption

Notice of such redemption, which shall specify the Series 2026 Bond or the Series 2026 Bonds to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the County, and (A) shall be filed with the Paying Agent of the Series 2026 Bonds, and (B) shall be mailed first class, postage prepaid, at least twenty (20) days prior to the redemption date to all Holders of the Series 2026 Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice. Failure to mail notice to the Holders of the Series 2026 Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of the Series 2026 Bonds as to which no such failure or defect has occurred. Failure of any Holder to receive any notice mailed as provided in the Resolution, shall not affect the proceedings for redemption of such Holder's Series 2026 Bonds.

Each notice of redemption shall state: (1) the CUSIP numbers of all Series 2026 Bonds being redeemed; (2) the original issue date of such Series 2026 Bonds; (3) the maturity date and rate of interest borne by each Series 2026 Bond being redeemed; (4) the redemption date; (5) the Redemption Price; (6) the date on which such notice is mailed; (7) if less than all Series 2026 Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Series 2026 Bond, the principal amount) of each Series 2026 Bond to be redeemed; (8) that on such redemption date there shall become due and payable upon each Series 2026 Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Series 2026 Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable; (9) that the Series 2026 Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price at the designated office of the Paying Agent at an address specified; (10) unless sufficient funds have been set aside by the County for such purpose prior to the mailing of the notice of redemption, that such redemption is conditioned upon the deposit of sufficient funds for such purpose on or prior to the date set for redemption; and provided, further, that such notice and the redemption set forth therein may be subject to the satisfaction of one or more additional conditions set forth therein; and (11) any other conditions that must be satisfied prior to such redemption.

In addition to the mailing of the notice described above, each notice of redemption and payment of the Redemption Price shall meet the following requirement; provided, however, the failure to provide such further notice of redemption or to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above:

(A) Each further notice of redemption shall be sent to the Electronic Municipal Market Access of the Municipal Securities Rulemaking Board within ten (10) business days of the mailing of the redemption notice to Holders.

(B) Each further notice of redemption shall be sent to such other Person, if any, as shall be required by applicable law or regulation.

The County may provide that a redemption may be contingent upon the occurrence of certain condition(s) and that if such condition(s) do not occur the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described above to all affected Series 2026 Bondholders as soon as practicable.

Redemption of Portions of Series 2026 Bonds

Any Series 2026 Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the County shall execute and the Registrar shall authenticate and deliver to the Holder of such Series 2026 Bond, without service charge, a new Series 2026 Bond or Series 2026 Bonds, of the same interest rate and maturity, and of any authorized denomination as requested by such Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2026 Bonds so surrendered.

Payment of Redeemed Series 2026 Bonds

Notice of redemption having been given substantially as aforesaid, the Series 2026 Bonds or portions of Series 2026 Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the County shall default in the payment of the Redemption Price) such Series 2026 Bonds or portions of the Series 2026 Bonds shall cease to bear interest. Upon surrender of such Series 2026 Bonds for redemption in accordance with said notice, such Series 2026 Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. Each check or other transfer of funds issued by the Paying Agent to pay the Redemption Price of the Series 2026 Bonds being redeemed shall bear the CUSIP number or numbers of such Series 2026 Bonds and identify the payments applicable to each CUSIP number. All Series 2026 Bonds which have been redeemed shall be cancelled by the Registrar and shall not be reissued.

Purchase in Lieu of Optional Redemption

Notwithstanding anything in the Resolution to the contrary, at any time the Series 2026 Bonds are subject to optional redemption pursuant to the Resolution, all or a portion of the Series 2026 Bonds to be redeemed as specified in the notice of redemption, may be purchased by the Paying Agent, as trustee, at the direction of the County, on the date which would be the redemption date of such Series 2026 Bonds were redeemed rather than purchased in lieu thereof, at a purchase price equal to the Redemption Price which would have been applicable to such Series 2026 Bonds on the redemption date for the account of and at the direction of the County who shall give the Paying Agent, as trustee, notice at least ten days prior to the scheduled redemption date accompanied by an opinion of Bond Counsel to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of interest on such Series 2026 Bonds or any other Outstanding Series 2026 Bonds. In the event the Paying Agent, as trustee, is so directed to purchase the Series 2026 Bonds in lieu of optional redemption, no notice to the holders of the Series 2026 Bonds to be so purchased (other than the notice of redemption otherwise required under the Resolution) shall be required, and the Paying Agent, as trustee, shall be authorized to apply to such purchase the funds which would have been used to pay the Redemption Price for such Series 2026 Bonds if such Series 2026 Bonds had been redeemed rather than purchased. Each Series 2026 Bond so purchased shall not be canceled or discharged and shall be registered in the name of the County. The Series 2026 Bonds to be purchased under the Resolution in the manner set forth above which are not delivered to the Paying Agent, as trustee, on the purchase date shall be deemed to have been so purchased and not optionally redeemed on the purchase date and shall cease to accrue interest as to the former holder thereof on the purchase date.

Interchangeability, Negotiability and Transfer

So long as the Series 2026 Bonds are registered in the name of DTC or its nominee, the following paragraphs relating to registration, transfer and exchange of Series 2026 Bonds do not apply to the Series 2026 Bonds.

Series 2026 Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Series 2026 Bonds of the same maturity of any other authorized denominations.

The Series 2026 Bonds issued under the Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in the Resolution and in the Series 2026 Bonds. So long as any of the Series 2026 Bonds shall remain Outstanding, the County shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Series 2026 Bonds.

The transfer of any Series 2026 Bond shall be registered only upon the books of the County, at the office of the Registrar, under such reasonable regulations as the County may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the registration or transfer of any such Series 2026 Bond, the County shall issue, and cause to be authenticated, in the name of the transferee a new Series 2026 Bond or Series 2026 Bonds of the same aggregate principal amount and maturity as the surrendered Series 2026 Bond. The County, the Registrar and any Paying Agent or fiduciary of the County may deem and treat the Person in whose name any Outstanding Series 2026 Bond shall be registered upon the books of the County as the absolute owner of such Series 2026 Bond, whether such Series 2026 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest on such Series 2026 Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2026 Bond to the extent of the sum or sums so paid and neither the County nor the Registrar nor any Paying Agent or other fiduciary of the County shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent with respect to the Series 2026 Bonds, forthwith (A) following the fifteenth day prior to an Interest Date for the Series 2026 Bonds, and (B) at any other time as reasonably requested by the Paying Agent, certify and furnish to the Paying Agent the names, addresses and holdings of the Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Series 2026 Bond shall effect payment of interest on such Series 2026 Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request and at the expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Series 2026 Bonds or the transfer of Series 2026 Bonds shall be registered, the County shall execute and the Registrar shall authenticate and deliver such Series 2026 Bonds in accordance with the provisions of the Resolution. Execution of Series 2026 Bonds by the Chairman or Vice-Chairman and Clerk for purposes of exchanging, replacing or registering the transfer of Series 2026 Bonds may occur at the time of the original delivery of the Series 2026 Bonds. All Series 2026 Bonds surrendered in any such exchanges or registration of transfer shall be held by the Registrar for safekeeping until directed by the County to be cancelled by the Registrar. For every such exchange or registration of transfer, the County or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer. The County and the Registrar shall not be obligated to make any such exchange or transfer of the Series 2026 Bonds during the period commencing on the fifteenth day of the month immediately preceding an Interest Date on the Series 2026 Bonds and ending on such Interest Date, or, in the case of any proposed redemption of Series 2026 Bonds, then, for the Series 2026 Bonds subject to redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

The County may elect to issue any Series 2026 Bonds as uncertificated registered public obligations (not represented by instruments), commonly known as book-entry obligations, provided it shall establish a system of registration therefor by Supplemental Resolution. In accordance with the Resolution, the County elects to initially provide for a book entry only system of registration for the Series 2026 Bonds.

Bonds Mutilated, Destroyed, Stolen or Lost

The following provisions shall only be applicable if DTC's book-entry only system of registration is discontinued.

In case any Series 2026 Bond shall become mutilated, or be destroyed, stolen or lost, the County may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Series 2026 Bond of like tenor as the Series 2026 Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Series 2026 Bond upon surrender and cancellation of such mutilated Series 2026 Bond or in lieu of and substitution for the Series 2026 Bond destroyed, stolen or lost, and upon the Holder furnishing the County and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the County or the Registrar may prescribe and paying such expenses as the County and the Registrar may incur. All Series 2026 Bonds so surrendered or otherwise substituted shall be cancelled by the Registrar. If any of the Series 2026 Bonds shall have matured or be about to mature, instead of issuing a substitute Series 2026 Bond, the County may pay the same or cause the Series 2026 Bond to be paid, upon being indemnified as aforesaid, and if such Series 2026 Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2026 Bonds issued pursuant to the Resolution shall constitute original contractual obligations on the part of the County whether or not the lost, stolen or destroyed Series 2026 Bond be at any time found by anyone, and such duplicate Series 2026 Bond shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as all other Series 2026 Bonds issued pursuant to the Resolution.

SECURITY FOR THE SERIES 2026 BONDS

General

All Bonds are secured equally and ratably by a pledge of and lien upon the Pledged Funds. "Pledged Funds" means (1) the Infrastructure Sales Surtax Revenues, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder except (A) for the Unrestricted Revenue Account and the Rebate Fund and (B) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution.

"Infrastructure Sales Surtax Revenues" means the proceeds received by the County from the levy of the one-cent local government infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes, as amended, together with any other amounts distributed to the County from the Discretionary Sales Surtax Clearing Trust Fund referred to in Section 212.054(4), Florida Statutes, as applicable, and other applicable provisions of law.

Series 2026 Bonds not a Debt of the County

THE SERIES 2026 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE COUNTY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE COUNTY, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT SET FORTH IN THE RESOLUTION. NO HOLDER OF ANY SERIES 2026 BONDS SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2026 BONDS, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2026 BONDS FROM ANY MONEYS OF THE COUNTY EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.

No Reserve Funding

The Reserve Account Requirement for the Series 2026 Bonds is $0.00. Therefore, the Series 2026 Bonds will not be secured by the Reserve Account or any subaccounts created therein.

The reserve requirement which is applicable to the Series 2026 Reserve Account (the "Reserve Account") is equal to the Reserve Account Requirement. The "Reserve Account Requirement" shall mean, as of any date of calculation for the Reserve Account or subaccount therein, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds secured thereby, (2) 125% of the average Annual Debt Service for all Outstanding Bonds secured thereby, or (3) the maximum amount of Bond proceeds which may be deposited to the Reserve Account without subjecting the same to yield restriction under the Code, or causing interest on any of the Bonds secured thereby (other than Taxable Bonds) to be included in gross income for purposes of federal income taxation or otherwise violating applicable provisions of the Code; ***provided, however, the County may establish in the Resolution or by Supplemental Resolution a lesser Reserve Account Requirement with respect to any particular Series of Bonds pursuant to the Resolution, which Reserve Account Requirement may be $0.00.*** For the purpose of determining the Reserve Account Requirement on any Variable Rate Bonds, the interest rate on the Variable Rate Bonds shall be assumed to be the rate calculated in accordance with the Resolution. The Reserve Account Requirement shall be calculated as of September 30 of each year with respect to the next succeeding Fiscal Year.

Subordinated Indebtedness

The County will not issue any other obligations payable from the Pledged Funds or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on parity with the lien thereon in favor of the Series 2026 Bonds and the interest thereon except in compliance with the provisions of the Resolution. The County may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of the Pledged Funds and which may be secured by a pledge of the Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by the Resolution and shall not be subject to acceleration prior to maturity. The County shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued pursuant to the Resolution. The County agrees to pay promptly any Subordinated Indebtedness as the same shall become due.

Additional Bonds

No Additional Bonds, payable on parity with the Bonds then Outstanding pursuant to the Resolution, shall be issued except upon the conditions and in the manner provided in the Resolution.

The County may issue one or more Series of Additional Bonds for any one or more of the following purposes: financing or refinancing the Costs of a Project, or the completion thereof, or refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the County or of any other indebtedness of the County. No such Additional Bonds shall be issued unless (1) no Event of Default (as specified in the Resolution) shall have occurred and be continuing hereunder, and (2) the following conditions are complied with:

(A) Except as otherwise provided in the Resolution, there shall have been obtained and filed with the County a certification of the County Administrator: (1) stating that he or she has examined the books and records of the County relating to the Infrastructure Sales Surtax Revenues which have been received by the County for deposit to the Restricted Revenue Account; (2) setting forth the amount of such Infrastructure Sales Surtax Revenues during any twelve (12) consecutive months designated by the County within the twenty-four (24) months immediately preceding the date of delivery of such Additional Bonds with respect to which such statement is made; and (3) stating that the amount of such Infrastructure Sales Surtax Revenues received during the aforementioned 12-month period equals at least 1.75 times the Maximum Annual Debt Service on Bonds then Outstanding and such Additional Bonds with respect to which such statement is made. Such certification may be partially based upon a certification of certain matters related to the calculation of the Maximum Annual Debt Service by the Municipal Advisor.

(B) For the purpose of determining the Maximum Annual Debt Service under the Resolution, determining the interest deposit requirement under the Resolution and for determining the Reserve Account Requirement for any Variable Rate Bonds, the interest rate on any Variable Rate Bonds then proposed to be issued and on any Outstanding Variable Rate Bonds shall be deemed to be the lesser of (1) the interest rate for 20 year revenue bonds published by The Bond Buyer no more than two weeks prior to the sale of the Variable Rate Bonds or the applicable determination, or (2) the Maximum Interest Rate.

(C) Additional Bonds shall be deemed to have been issued pursuant to the Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of the Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to the Resolution. Except as provided in the Resolution, all Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other; provided, however, that the County shall include a provision in any Supplemental Resolution authorizing the issuance of Variable Rate Additional Bonds pursuant to the Resolution that in the event the principal thereof is accelerated due to such Bonds being held by the Credit Facility Provider, the lien of any accelerated debt due and owing such Credit Facility Provider on the Pledged Funds shall be subordinate in all respects to the pledge of the Pledged Funds created by the Resolution.

(D) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of the Resolution shall not apply, provided that the issuance of such Additional Bonds shall result in a reduction of aggregate debt service. The conditions of the Resolution shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

(E) In the event the Act is amended to provide for additional Infrastructure Sales Surtax Revenues to be distributed to the County, the County may, by Supplemental Resolution, extend the pledge of the Infrastructure Sales Surtax Revenues created pursuant to the terms of the Resolution to include such additional Infrastructure Sales Surtax Revenues and may then for the purpose of determining whether there are sufficient Infrastructure Sales Surtax Revenues to meet the coverage tests specified in Resolution, assume that such additional Infrastructure Sales Surtax Revenues were in effect during the applicable twelve (12) consecutive month period.

Accession of Subordinated Indebtedness to Parity Status with the Series 2026 Bonds

The County may provide for the accession of Subordinated Indebtedness to the status of complete parity with the Bonds, if (A) the County shall meet all the requirements imposed upon the issuance of Additional Bonds by the Resolution, assuming, for purposes of said requirements, that such Subordinated Indebtedness shall be Additional Bonds and (B) the Reserve Account, upon such accession, shall contain an amount equal to the Reserve Account Requirement in accordance with the Resolution. If the aforementioned conditions are satisfied, the Subordinated Indebtedness shall be deemed to have been issued pursuant to the Resolution the same as the Outstanding Bonds, and such Subordinated Indebtedness shall be considered Bonds for all purposes provided in the Resolution.

FUNDS, ACCOUNTS AND FLOW OF FUNDS

Funds and Accounts

Pursuant to the Resolution, the County created and established the Revenue Fund and the accounts therein from time to time, the Construction Fund and accounts therein from time to time, the Debt Service Fund and accounts therein from time to time and the Rebate Fund and the accounts therein from time to time.

The County covenants and agrees to establish the following funds and accounts:

(A) The "Revenue Fund." The County shall maintain two separate accounts in the Revenue Fund, the "Restricted Revenue Account" and the "Unrestricted Revenue Account."

(B) The "Debt Service Fund." The County shall maintain four separate accounts in the Debt Service Fund, the "Interest Account," the "Principal Account," the "Bond Amortization Account" and the "Reserve Account."

(C) The "Rebate Fund." The Revenue Fund, the Construction Fund, the Debt Service Fund and the Rebate Fund and all accounts therein shall constitute trust funds for the purposes provided in the Resolution, shall be held by the County and shall at all times be kept separate and distinct from all other funds of the County and used only as provided in the Resolution. Moneys held in the Restricted Revenue Account, the Construction Fund, and the Debt Service Fund and the accounts therein shall be subject to a lien and charge in favor of the holders and registered owners of the Bonds as provided in the Resolution; provided, however, that the Bondholders shall have no lien on or right to payment from amounts on deposit in the Rebate Account or Unrestricted Revenue Account as defined in the Resolution.

Construction Fund

Pursuant to the Resolution, the County has covenanted and agreed to establish a special fund to be known as the "Construction Fund," which shall be used only for payment of the Costs of Projects. Moneys in the Construction Fund, until applied to payment of any item of the Costs of a Project in the manner provided in the Resolution, shall be held in trust by the County and shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

The County shall establish within the Construction Fund a separate account for each Project, the Costs of which are to be paid in whole or in part out of the Construction Fund. Pursuant to the Resolution, the County has created for the 2026 Project an account to be known as the "2026 Project Account" of the Construction Fund.

Pursuant to the Resolution, the County has covenanted that the acquisition, construction and equipping of each Project (including the 2026 Project) will be completed without delay and in accordance with sound engineering practices. The County shall only make disbursements or payments from the applicable account of the Construction Fund to pay Costs of the 2026 Project for which such account was established, except as provided below with respect to any surplus proceeds in a particular account. The County shall keep records of such disbursements and payments and shall retain all such records for such period of time as is required by applicable law.

Notwithstanding any of the other provisions of the Resolution, to the extent that other moneys are not available therefor, amounts in the 2026 Project Account of the Construction Fund shall be applied to the payment of principal and interest on the Series 2026 Bonds for which such account was established or to reimburse a Credit Facility Provider for the payment of such principal and interest.

The date of completion of acquisition, construction and equipping of the 2026 Project shall be filed by the Chairman or Vice-Chairman or designee or other appropriate officer of the County in the records of the County in accordance with the Resolution. Promptly after the date of the completion of the 2026 Project, and after paying or making provisions for the payment of all unpaid items of the Costs of the 2026 Project, the County shall deposit in the following order of priority any balance of moneys remaining in the Construction Fund in (A) any other account established in the Construction Fund for which the County Administrator certifies that there are insufficient moneys to pay the Costs of the 2026 Project for which such account was established, (B) the Reserve Account to the extent of any deficiency therein, (C) the Interest Account to pay interest coming due on the Series 2026 Bonds, and (D) such other fund or account established in the Resolution as shall be determined by the County, provided the County has received an opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exclusion, if any, of interest on the Series 2026 Bonds (other than Taxable Bonds) from gross income for purposes of federal income taxation.

Disposition of Infrastructure Sales Surtax Revenues

(A) The County shall promptly deposit upon receipt from the State all of the Infrastructure Sales Surtax Revenues into the Restricted Revenue Account. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the 25th day of each month, commencing in the month immediately following delivery of the Series 2026 Bonds to the purchasers thereof, or such later date as provided in the Resolution, in the following manner and in the following order of priority:

(1) Interest Account. The County shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all of the Outstanding Bonds accrued and unpaid and to accrue to the end of the then current calendar month (assuming that a year consists of twelve (12) equal calendar months of thirty (30) days each). All Hedge Receipts shall be deposited directly to the Interest Account upon receipt. With respect to interest on the Bonds which the County has determined are subject to a Hedge Payment, interest on the Bonds during the term of the Qualified Hedge Agreement shall be deemed to include the corresponding Hedge Payments. Moneys in the Interest Account shall be applied by the County (a) for deposit with the Paying Agent to pay the interest on the Bonds on or prior to the date the same shall become due, whether by maturity, redemption or otherwise, and (b) for Hedge Payments. The County shall adjust the amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date. With respect to debt service on any Bonds which are subject to a Qualified Hedge Agreement, any Hedge Payments due to the Counterparty to such Qualified Hedge Agreement relating to such Bonds shall be paid to the Counterparty to such Qualified Hedge Agreement on a parity basis with the aforesaid required payments into the Debt Service Fund. With respect to any Variable Rate Bonds, the amount to be deposited to the Interest Account shall be determined using an interest rate assumed to be the rate calculated in accordance with the Resolution; provided, however, the County shall adjust the amount on deposit in the Interest Account prior to each Interest Date so as to provide sufficient moneys to pay the actual interest due on such Variable Rate Bonds on such Interest Date.

(2) Principal Account. Commencing in the month which is one year prior to the first principal due date (or if the first principal due date is less than one year from the date of issuance of the Bonds, the month immediately following the issuance of any Bonds), the County shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amount on the Outstanding Bonds due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve (12) equal calendar months having thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there is no such preceding payment due date from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the County for deposit with the Paying Agent to pay the principal of the Bonds

on or prior to the date the same shall mature, and for no other purpose. The County shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on the Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(3) Bond Amortization Account. Commencing in the month which is one year prior to any Amortization Installment due date, there shall be deposited or credited to the Bond Amortization Account an amount which, together with the balance in said Account, shall equal the Amortization Installments of all Bonds Outstanding due and unpaid and that portion of the Amortization Installment next due which would have accrued on said Bonds during the then current calendar month if such Amortization Installment were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding Amortization Installment due date, or if there is no such preceding Amortization Installment due date, from a date one year preceding the due date of such Amortization Installment. Moneys in the Bond Amortization Account shall be used to purchase or redeem Term Bonds in the manner provided in the Resolution or as provided by a Supplemental Resolution, and for no other purpose. The County shall adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay the Amortization Installments on the Bonds coming due on such date. No further deposit need be made to the Bond Amortization Account when the moneys therein are equal to the Amortization Installments coming due on the Outstanding Bonds on the next succeeding Amortization Installment due date. Payments to the Bond Amortization Account shall be on parity with payments to the Principal Account.

Amounts accumulated in the Bond Amortization Account with respect to any Amortization Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Amortization Installment was established) may be applied by the County, on or prior to the sixtieth (60th) day preceding the due date of such Amortization Installment, (a) to the purchase of Term Bonds of the Bonds and maturity for which such Amortization Installment was established at a price not exceeding par plus accrued interest, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms at a price not exceeding par plus accrued interest. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Amortization Account until such Amortization Installment date, for the purposes of calculating the amount of such Account. As soon as practicable after the sixtieth (60th) day preceding the due date of any such Amortization Installment, the County shall proceed to call for redemption on such due date, by causing notice to be given as provided in the Resolution, Term Bonds of the Bonds and maturity for which such Amortization Installment was established (except in the case of Term Bonds maturing on an Amortization Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Amortization Installment. The County shall pay out of the Bond Amortization Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such

Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the County from the Restricted Revenue Fund.

(4) Reserve Account. There shall be deposited to the Reserve Account an amount which would enable the County to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto. All deficiencies in the Reserve Account must be made up no later than twelve (12) months from the date such deficiency first occurred, whether such shortfall was caused by an increase in the applicable Reserve Account Requirement, a decrease in the aggregate market value of the investments therein of more than 5% (determined as of each September 30), or withdrawal (whether from cash or a draw on a Reserve Account Insurance Policy or Reserve Account Letter of Credit). On or prior to each principal payment date and Interest Date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), moneys in the Reserve Account shall be applied by the County to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Account and the Bond Amortization Account shall be insufficient for such purpose Whenever there shall be surplus moneys in the Reserve Account by reason of a decrease in the Reserve Account Requirement or as a result of a deposit in the Reserve Account of a Reserve Account Letter of Credit or a Reserve Account Insurance Policy, such surplus moneys, to the extent practicable, shall be deposited by the County into the Unrestricted Revenue Account and applied as directed by Bond Counsel. The County shall promptly inform each Insurer and Credit Facility Provider of any draw upon the Reserve Account for purposes of paying the principal of or Redemption Price, if applicable, and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as provided in the Resolution, the County shall fund the Reserve Account in an amount at least equal to the applicable Reserve Account Requirement to the extent the such Series of Bonds are to be secured by the Reserve Account or any subaccount therein, provided, however, nothing herein shall be construed to require the County to fund the Reserve Account or any subaccount for any Series of Bonds. Upon the adoption of the Supplemental Resolution authorizing the issuance of a Series of Bonds, the County shall determine whether such Series of Bonds shall be secured by the Reserve Account or any subaccount therein and, if the County determines that the Series of Bonds will be secured by a separate subaccount therein, the County shall also establish the Reserve Account Requirement applicable thereto. Such required amount, if any, shall be paid in full or in part from the proceeds of such Series of Bonds or may be accumulated in equal monthly payments to the Reserve Account or subaccount therein over a period of months from the date of issuance of such Series of Bonds, which shall not exceed thirty-six (36) months.

Notwithstanding the foregoing provisions, in lieu or substitution of the required deposits into the Reserve Account, the County may cause to be deposited into the Reserve Account a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for the benefit of the Bondholders in an amount equal to the difference between the Reserve Account Requirement applicable thereto and the sums then on deposit in the Reserve Account, if any. The County may also substitute a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for cash on deposit in the Reserve Account upon compliance with the terms of the Resolution. Such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any principal payment date or Interest Date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to the Resolution and available for such purpose. Upon the initial deposit of any such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit, the provider thereof shall be either (a) an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in one of the three highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as "plus" or "minus" or "1," "2" or "3"), or (b) a commercial bank, insurance company or other financial institution which has been assigned a rating in one of the two highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as "plus" or "minus" or "1," "2" or "3"). Any Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall equally secure all Bonds secured by the Reserve Account or subaccount into which such Policy or Letter of Credit is deposited.

Each Reserve Account Insurance Policy and Reserve Account Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the provider of the Reserve Account Insurance Policy or Reserve Account Letter of Credit to reimbursement will be subordinated to cash replenishment of the Reserve Account or subaccount to an amount equal to the difference between the full original amount available under the Reserve Account Insurance Policy or Reserve Account Letter of Credit and the amount then available for further draws or claims. If (a) the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit becomes insolvent, or (b) the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit defaults in its payment obligations thereunder, or (c) the rating of the provider of a Reserve Account Insurance Policy falls below a rating of "A-" or "A3" by all of the Rating Agencies then rating such provider, or (d) the rating of the provider of a Reserve Account Letter of Credit falls below a rating of "AA-" or "Aa3" by at least two of the three Rating Agencies, the obligation to reimburse the provider of the Reserve Account Insurance Policy or Reserve Account Letter of Credit shall be subordinate to the cash replenishment of the Reserve Account or subaccount. Where applicable, the amount available for draws or claims under a Reserve Account Insurance Policy or Reserve Account Letter of Credit may be reduced by the amount of cash or investments deposited in the Reserve Account or subaccount pursuant to the provisions of the Resolution.

If the revolving reinstatement feature described in the preceding paragraph is suspended or terminated or if the Reserve Account Insurance Policy or Reserve Account Letter of Credit is no longer valid and enforceable, the County shall either (a) deposit into the Reserve Account or subaccount an amount sufficient to cause the cash or investments on deposit in the Reserve Account or applicable subaccount to equal the Reserve Account Requirement on all Outstanding Bonds then secured by such Reserve Account or subaccount, such amount to be paid over the ensuing five years in equal installments deposited at least semi-annually, or (b) replace such instrument with a Reserve Account Insurance Policy or a Reserve Account Letter of Credit meeting the requirements described in the Resolution within six months of such occurrence.

If three days prior to an Interest Date or principal payment date, or such other period of time as shall be required by the terms of the Reserve Account Insurance Policy or Reserve Account Letter of Credit, the County shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms of the Resolution, interest and/or principal due on the Bonds on such date, the County shall immediately notify (a) the issuer of the applicable Reserve Account Insurance Policy and/or the issuer of the Reserve Account Letter of Credit and submit a demand for payment pursuant to the provisions of such Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit, (b) the Paying Agent, and (c) the Insurer or Credit Facility Provider, if any, of the amount of such deficiency and the date on which such payment is due.

The County may evidence its obligation to reimburse the issuer of any Reserve Account Letter of Credit or Reserve Account Insurance Policy by executing and delivering to such issuer a promissory note or other evidence therefor; provided, however, any such note or evidence (a) shall not be a general obligation of the County, the payment of which is secured by the full faith and credit or taxing power of the County, and (b) shall be payable solely from the Pledged Funds in the manner provided in the Resolution. The obligation to reimburse the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit for any Policy Costs shall be subordinate to the payment of Debt Service on the Bonds.

The term "Paying Agent" as used in the Resolution may include one or more Paying Agents for the Outstanding Bonds.

Whenever the amount of cash in the Reserve Account, together with the other amounts in the Debt Service Fund, are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account may be transferred to the other Accounts of the Debt Service Fund for the payment of the Series 2026 Bonds.

The County may also establish a separate subaccount in the Reserve Account for any Series of Bonds and such subaccount shall be pledged to the payment of such Series of Bonds apart from the pledge provided in the Resolution. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Account. Moneys in a separate subaccount of the Reserve Account shall be maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount; provided the Supplemental Resolution authorizing such Series of Bonds may establish the Reserve Account Requirement relating to such separate subaccount of the Reserve Account at such level as the County deems appropriate. In the event the County by Supplemental Resolution establishes the Reserve Account Requirement for a particular Series of Bonds to be zero ($0.00) or it shall determine that such Series are not to be secured in any manner by the Reserve Account or a subaccount, then it shall not be required to establish a separate subaccount; provided, however, such Series of Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account. Moneys used to replenish the Reserve Account shall be deposited in the separate subaccounts in the Reserve Account and in the Reserve Account on a pro-rata basis.

In the event the County shall maintain a Reserve Account Insurance Policy or Reserve Account Letter of Credit and moneys in the Reserve Account or any subaccount, the moneys shall be used prior to making any disbursements under such Reserve Account Insurance Policy or Reserve Account Letter of Credit. The provisions of any reserve account insurance policy agreements, when executed and delivered, shall be incorporated in the Resolution by reference. The provisions of such Agreements shall supersede the provisions of the Resolution to the extent of any conflict in the Resolution.

(5) Unrestricted Revenue Account. The balance of any moneys after the deposits required by the Resolution, may be transferred, at the discretion of the County, to the Unrestricted

Revenue Account or any other appropriate fund and account of the County and may be used for any lawful purpose including, without limitation, the early redemption of Bonds. In the event moneys on deposit in the Interest Account and the Principal Account on the third day prior to an Interest Date are not sufficient to pay the principal of and interest on the Bonds coming due on such Interest Date, the County shall transfer moneys from the Unrestricted Revenue Account, if any, to the appropriate Account of the Debt Service Fund to provide for such payment. Any moneys remaining in the Unrestricted Revenue Account on each Interest Date may be used for any lawful purpose.

(B) The County, in its discretion, may use moneys in the Principal Account, the Bond Amortization Account and the Interest Account to purchase or redeem Outstanding Bonds coming due on the next principal payment date, provided such purchase does not adversely affect the County's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased.

(C) At least one business day prior to the date established for payment of any principal of or interest on the Bonds, the County shall withdraw from the appropriate Account of the Debt Service Fund sufficient moneys to pay such principal or interest and deposit such moneys with the Paying Agent. Such deposits with the Paying Agent shall be made in moneys available to make payments of the principal of and interest on the Bonds as the same becomes due.

(D) In the event the County shall issue a Series of Bonds secured by a Credit Facility, the County may establish such separate subaccounts in the Interest Account, the Principal Account and the Bond Amortization Account to provide for payment of the principal of and interest on such Series as may be required by the Credit Facility Provider; provided one Series of Bonds shall not have preference in payment from Pledged Funds over any other Series of Bonds. The County may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in the Resolution as shall be necessary to pay the principal of and interest on such Bonds as the same shall become due, all as provided by the Supplemental Resolution authorizing such Bonds. In the case of Bonds secured by a Credit Facility, amounts on deposit in any subaccounts established for such Bonds may be applied as provided in the applicable Supplemental Resolution to reimburse the Credit Facility Provider for amounts drawn under such Credit Facility to pay the principal of or Redemption Price, if applicable, and interest on such Bonds or to pay the purchase price of any such Bonds which are tendered by the Holders thereof for payment.

(E) The County agrees that at the time of issuing any Variable Rate Bonds it shall establish the Maximum Interest Rate with respect thereto and a Maximum Interest Rate with respect to amounts owed to the Credit Facility Provider which provides liquidity for such Bonds. Any Credit Facility Provider which provides a Credit Facility for liquidity purposes must be rated in one of the two highest short term rating categories assigned by each rating agency rating the Bonds secured by such Credit Facility. Any accelerated principal payments due to a Credit Facility Provider or any interest due in excess of the interest rate on the Variable Rate Bonds to a Credit Facility Provider must be subordinate to the payment of the scheduled debt service on the Bonds.

COVENANTS OF THE COUNTY

Books and Records

The County will keep books and records of the receipt of the Infrastructure Sales Surtax Revenues in accordance with generally accepted accounting principles, and any Credit Facility Provider, or Holder or Holders of at least $1,000,000 aggregate principal amount of the Bonds shall have the right at all reasonable times to inspect the records, accounts and data of the County relating thereto.

No Impairment

The pledging of the Pledged Funds in the manner provided in the Resolution, shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution, agreement or other proceedings of the County. The County will not take any action or enter into any agreement that shall result in impairing or reducing the level of Infrastructure Sales Surtax Revenues received by the County from that level prevailing at the time the County takes such action or enters into such agreement.

Receipt of Infrastructure Sales Surtax Revenues.

The County has covenanted to do all things necessary or required on its part by the Act or otherwise to entitle the County to receive the Infrastructure Sales Surtax Revenues in the amounts it is entitled to receive. The County shall exercise all legally available remedies to enforce such receipt now or hereafter available under law.

Investments

Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund, other than the Reserve Account, may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed for the purposes of such Fund or Account. Moneys on deposit in the Reserve Account may be invested and reinvested in Authorized Investments which mature no later than ten (10) years from the date of investment. All investments shall be valued at the market price thereof. Investments in the Reserve Account shall be valued by the County on an annual basis as of September 30 of each year.

Any and all income received by the County from the investment of moneys in the Construction Fund, the Interest Account, the Principal Account, the Bond Amortization Account, the Restricted Revenue Account and the Reserve Account (to the extent such income and the other amounts in the Reserve Account does not exceed the Reserve Account Requirement) shall be retained in such respective Fund or Account. Any and all income received by the County from the investment of moneys in the Reserve Account (only to the extent such income and other amounts in the Reserve Account exceeds the Reserve Account Requirement) shall be deposited in the Interest Account.

Nothing contained in the Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under the Resolution from being issued or held in book entry form on the books of the Department of the Treasury of the United States of America.

Separate Accounts

The moneys required to be accounted for in each of the foregoing funds, accounts and subaccounts established under the Resolution may be deposited in a single, non-exclusive bank account, and funds allocated to the various funds, accounts and subaccounts established under the Resolution may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as provided in the Resolution.

The designation and establishment of the various funds, accounts and subaccounts in and by the Resolution shall not be construed to require the establishment of any completely independent, self balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as provided by the Resolution.

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ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds from the sale of the Series 2026 Bonds:

<u>SOURCES</u>:	
Principal Amount	$
[Plus/Minus] [Net] Original Issue [Premium/Discount]	
Total Sources	$
<u>USES</u>:	
Deposit to 2026 Project Account of the Construction Fund	$
Costs of Issuance[(1)]	
Total Uses	$

(1) Includes the fees and out-of-pocket expenses for Bond Counsel, Municipal Advisor, Underwriters' Discount, printing, rating, legal and other associated costs of issuance.

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DEBT SERVICE REQUIREMENTS

The following table sets forth the annual debt service requirements with respect to the Series 2026 Bonds:

Year Ended (October 1)	Principal	Interest	Total Debt Service
2027	$	$	$
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
Totals	$	$	$

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LOCAL GOVERNMENT INFRASTRUCTURE SALES SURTAX REVENUES

General

Pursuant to Chapter 212, Part I, Florida Statutes, as amended, the State is authorized to levy and collect a 6% sales tax on the sales price of each item or article of tangible personal property sold at retail in the State subject to certain exemptions and dealer allowances as set forth in Chapter 212, Florida Statutes. A similar tax is imposed on the cost of tangible personal property when the property is not sold, but is used, consumed, distributed or stored for use or consumption in the State. The largest single source of tax receipts in the State is the sales and use tax.

Section 212.055(2), Florida Statutes, as amended, authorizes local governments to levy a discretionary sales surtax of an additional 0.5% or 1% to finance, plan and construct infrastructure projects, among other purposes (the "Local Government Infrastructure Sales Surtax"). The levy of the Local Government Infrastructure Sales Surtax must be pursuant to an ordinance enacted by a majority of the members of the county's governing authority and must be approved by a majority of electors of the county voting in a referendum on the Local Government Infrastructure Sales Surtax. Distribution of the Local Government Infrastructure Sales Surtax proceeds may be governed by an interlocal agreement by and among a county, the municipalities therein, and the school district; provided, however, the County has not entered into any such interlocal agreement. Therefore, the distribution of surtax proceeds will be governed by Section 218.62, Florida Statutes. See " – Distribution" below for additional information on the distribution of the Local Government Infrastructure Sales Surtax within the County.

Pursuant to Section 212.055(2)(d), Florida Statutes, the proceeds of the Local Government Infrastructure Sales Surtax may only be expended to (i) finance, plan, and construct infrastructure, (ii) acquire any interest in land for public recreation, conservation, or protection of natural resources or to prevent or satisfy private property rights claims resulting from limitations imposed by the designation of an area of critical state concern, (iii) provide loans, grants, or rebates to residential or commercial property owners who make energy efficiency improvements to their residential or commercial property, if a local government ordinance authorizing such use is approved by referendum (iv) or finance the closure of county-owned or municipally owned solid waste landfills that have been closed or are required to be closed by order of the Florida Department of Environmental Protection. "Infrastructure" is defined in Section 212.055(2)(d), Florida Statutes, to include, among other things, fixed capital expenditures or fixed capital costs associated with the construction, reconstruction or improvement of public facilities which have a life expectancy of five or more years and any land acquisition, land improvement, design and engineering costs related thereto, and all other professional and related costs required to bring the public facilities into service.

Pursuant to Section 212.055(2)(e), Florida Statutes, as amended, counties receiving Local Government Infrastructure Sales Surtax proceeds may pledge such proceeds for the purpose of servicing new bond indebtedness incurred pursuant to law.

Section 212.055(2)(d), Florida Statutes, expressly states that neither the proceeds from the Local Government Infrastructure Sales Surtax nor the interest accrued thereon shall be used for operational expenses of any infrastructure, except a county that has a population of fewer than 75,000 and that is required to close a landfill may use such proceeds or interest for long-term maintenance costs associated with landfill closure.

The Local Government Infrastructure Sales Surtax applies to all transactions in the County that are subject to the State sales tax imposed on sales, use, services, rentals, admissions, and other transactions under Chapter 212, Florida Statutes and on communication services. The surtax does not apply to the sales amount of tangible personal property greater than $5,000 pursuant to Section 212.054(2)(b), Florida Statutes.

Authorization

On December 5, 2023, the Board, by a majority, enacted Ordinance No. 23-31 (the "Infrastructure Sales Surtax Ordinance") which provided for the extension of the levy and imposition, throughout the incorporated and unincorporated areas of the County, of an additional tax of 1.0% on all transactions occurring in the County in accordance with Section 212.055(2), Florida Statutes (the "County Infrastructure Sales Surtax"). On November 5, 2024, the levy of the County Infrastructure Sales Surtax was placed on the ballot and approved by a majority of the electors of the County who voted in the referendum. The County Infrastructure Sales Surtax is effective for a period which commenced on January 1, 2025, and ends on December 31, 2044. The County receives a share of the distribution of the Infrastructure Sales Surtax pursuant to the default population formula in Section 218.62, Florida Statutes. See " – Distribution" below for additional information. That portion of the County Infrastructure Sales Surtax which is distributed to the County constitutes "Infrastructure Sales Surtax Revenues" for purposes of the Resolution and is pledged to the payment of the Bonds issued pursuant to the Resolution. In the Resolution, the County has irrevocably pledged the Infrastructure Sales Surtax Revenues to the payment of debt service on the Bonds issued pursuant to the Resolution. See "APPENDIX C – Form of the Resolution" attached hereto. The Infrastructure Sales Surtax Ordinance authorizes the Infrastructure Sales Surtax Revenues to fund public safety (law enforcement, fire, emergency medical services and animal control) capital facilities and equipment, and transportation infrastructure. The 2026 Project constitutes transportation facilities. See "THE 2026 PROJECT" herein.

Collections

The Florida Department of Revenue ("FDOR") has the responsibility to administer, collect, and enforce the Local Government Infrastructure Sales Surtax, including the County Local Government Infrastructure Sales Surtax. The proceeds of the Local Government Infrastructure Sales Surtax collections are transferred to the Discretionary Sales Surtax Clearing Trust Fund (the "Trust Fund"). A separate account in the Trust Fund is established for each county imposing such a surtax. FDOR is authorized to deduct up to 3% of the total revenue generated for all counties levying a surtax for administrative costs. The amount deducted for administrative costs is required to be used only for those costs solely and directly attributable to the surtax. The total administrative costs are to be prorated among those counties levying the surtax on the basis of the amount collected for a particular county to the total amount collected for all counties. Historically the FDOR has deducted less than 1.0% for administrative costs.

Pursuant to Section 212.15, Florida Statutes, vendors are required to remit sales tax receipts by the twentieth (20th) day of the month immediately following the month of collection. No statute prescribes a deadline for remitting surtax proceeds to the local governing bodies. However, according to the accounting division of FDOR and the County, FDOR has consistently remitted the surtax proceeds to such local governing bodies by the end of the month immediately following receipt by FDOR.

Distribution

The County's Local Government Infrastructure Sales Surtax is distributed by the FDOR among the County and the municipalities of Belleview, Dunnellon, McIntosh, Ocala and Reddick pursuant to Section 218.62, Florida Statutes. See "--Historical Population Distribution Factors" table below.

$$\text{County's share (expressed as a percentage)} = \frac{\text{unincorporated county population} + \text{2/3 of the incorporated county population}}{\text{total county population} + \text{2/3 of the incorporated county population}}$$

$$\text{Each municipality's share (expressed as a percentage)} = \frac{\text{municipality population}}{\text{total county population} + \text{2/3 of the incorporated county population}}$$

Section 218.62, Florida Statutes, provides the following distribution formula (as outlined in the table above):

1. Each participating county and municipal government shall receive a proportion of moneys earmarked for distribution within that county.
2. The proportion for each county government shall be computed by dividing the sum of the unincorporated area population plus two-thirds of the incorporated area population by the sum of the total county population plus two-thirds of the incorporated area population.
3. The proportion for each municipal government shall be computed by dividing the population of that municipality by the sum of the total county population plus two-thirds of the incorporated area population.
4. Effective October 1, 2000, the apportionment factors shall, except in the case of error in the population certified pursuant to Section 186.901, Florida Statutes, remain in effect for the fiscal year. Adjustments to distributions to correct errors shall be made subsequent to receipt of a corrected population certified pursuant to Section 186.901, Florida Statutes.

The amount of Local Government Infrastructure Sales Surtax collected within and distributed to the County will be affected by changes in the relative populations of the unincorporated and incorporated areas within the County. Such relative populations are subject to change through normal increases and decreases of population within the existing unincorporated and incorporated areas of the County and are also subject to change by annexation and de-annexation.

The total amount of Local Government Infrastructure Sales Surtax collected within the County and distributed to the County is subject to increase or decrease due to increases or decreases in the dollar volume of taxable sales within the County, which, in turn, is subject to among other things, (i) legislative changes which may include or exclude from taxation sales of particular goods or services, and (ii) changes in the dollar volume of purchases in the County, which is affected by changes in population and economic conditions.

Continued increases in the use of electronic commerce and other internet-related sales activity may have a material impact on the amount of Infrastructure Sales Surtax Revenues collected.

Communications Services Tax Portion of Discretionary Sales Surtax

Effective October 1, 2001, the structure for the imposition of taxes on telecommunications and other communications services was completely changed by Chapter 202, Florida Statutes (the "CST Law"). The CST Law rescinded or modified various taxes imposed upon certain telephone and other telecommunications and communications services (including the discretionary sales surtax on certain long distance services) and replaced the revenues from such taxes with revenues from a new state tax and a local option tax imposed on communications services.

The "Replacement Local Option Communications Services Tax" is imposed in the County pursuant to Section 202.19(5), Florida Statutes, at a rate of 1.735% on the sale price of communications services and is included in the Infrastructure Sales Surtax Revenues which are pledged to the Bonds. The maximum rate authorized by Section 202.19, Florida Statutes, for noncharter counties is 1.6%. The maximum rate does not include the add-on of up to 0.24% for noncharter counties authorized pursuant to Section 337.401, Florida Statutes, nor do they supersede conversion or emergency rates authorized by Section 202.20, Florida Statutes. which are in excess of these maximum rates.

The Replacement Local Option Communications Services Tax collected under the CST Law is deposited along with the discretionary sales surtax into the Discretionary Sales Surtax Clearing Trust Fund and is then distributed by FDOR to the County as part of the discretionary sales surtax, with no distinction made as to the portion of the distribution constituting Replacement Local Option Communications Services Tax; thus, the Replacement Local Option Communications Services Tax collected, so deposited and transferred to the County is included in Infrastructure Sales Surtax Revenues. Except for the Replacement Local Option Communications Services Tax received by the County pursuant to Section 202.19(5), Florida Statutes, no other revenues received by the County pursuant to the CST Law are pledged to the Bonds.

"Communication services" are defined as the transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals, including video services, to a point, or between or among points, by or through any electronic, radio, satellite, cable, optical, microwave, or other medium or method now in existence or hereafter devised, regardless of the protocol used for such transmission or conveyance, including transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing without regard to whether such service is referred to as voice-over-Internet-protocol services or is classified by the Federal Communications Commission as enhanced or value-added. The term does not include:

(a) Information services.
(b) Installation or maintenance of wiring or equipment on a customer's premises.
(c) The sale or rental of tangible personal property.
(d) The sale of advertising, including, but not limited to, directory advertising.
(e) Bad check charges.
(f) Late payment charges.
(g) Billing and collection services.

(h) Internet access service, electronic mail service, electronic bulletin board service, or similar on-line computer services.

The amount of Replacement Local Option Services Tax revenues received by the County is subject to increase or decrease due to (i) increases or decreases in the dollar volume of taxable sales within the County, (ii) legislative changes, and/or (iii) technological advances which could affect consumer preferences.

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Historical Distributions

The following table sets forth historical population distribution factors of the County Infrastructure Sales Surtax for the last ten years.

HISTORICAL POPULATION DISTRIBUTION FACTORS
FOR MARION COUNTY[(1)]

Fiscal Year	Marion County	City of Ocala	City of Belleview	City of Dunnellon	Town of McIntosh	Town of Reddick
2025	83.29%	14.74%	1.31%	0.45%	0.10%	0.11%
2024	83.17	14.84	1.32	0.46	0.11	0.11
2023	82.96	15.05	1.32	0.45	0.11	0.11
2022	82.89	15.09	1.30	0.46	0.12	0.14
2021	82.68	15.30	1.31	0.45	0.12	0.14
2020	82.77	15.21	1.31	0.46	0.12	0.14
2019	82.69	15.31	1.28	0.46	0.12	0.14
2018	82.55	15.48	1.26	0.46	0.12	0.13
2017	82.68	15.35	1.25	0.47	0.12	0.13
2016[(2)]	-	-	-	-	-	-

(1) Numbers may not add to 100% due to rounding.

(2) The County first enacted the One-Cent Local Government Infrastructure Sales Surtax pursuant to Ordinance No. 15-23. The surtax became effective on January 1, 2017, when collections commenced.

Source: Marion County, Florida Finance Department

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Historical Collections

The following table sets forth the historical collections of the Infrastructure Sales Surtax Revenues by the County:

MARION COUNTY, FLORIDA
HISTORICAL INFRASTRUCTURE SALES SURTAX REVENUES

Year Ended September 30	Infrastructure Sales Surtax Revenues	Percentage Change
2025	$71,247,707	2.8%
2024	69,273,957	5.0
2023	65,962,613	5.3
2022[(1)]	62,671,513	19.2
2021[(1)]	52,561,047	18.7
2020	44,270,008	4.1
2019	42,537,298	4.3
2018	40,791,199	58.7
2017	25,710,753	-
2016[(2)]	-	-

(1) The increase in Infrastructure Sales Surtax Revenues from fiscal year 2021 to fiscal year 2022 was primarily attributable to pandemic-related inflation and the distribution of additional federal aid to businesses and households during that period. Such federal aid increased liquidity within the County's economy and supported higher levels of consumer spending. In addition, taxable sales of pandemic-related medical and personal protective supplies increased across medical facilities, businesses and households, contributing to the substantial increase in Infrastructure Sales Surtax Revenues collections for those years.

(2) The County first enacted the One-Cent Local Government Infrastructure Sales Surtax pursuant to Ordinance No. 15-23. The surtax became effective on January 1, 2017, when collections commenced.

Source: Marion County, Florida Annual Comprehensive Financial Report for Fiscal Year ended September 30, 2016 through and including 2025 and Marion County, Florida Finance Department.

Based on information currently available, the County anticipates that Infrastructure Sales Surtax Revenues for the fiscal year ending September 30, 2026 will be approximately 3.5% less than fiscal year 2025 collections, but greater than the amount budgeted for such fiscal year.

MARION COUNTY, FLORIDA
PRO FORMA DEBT SERVICE COVERAGE
ON THE SERIES 2026 BONDS

Fiscal Year Ended September 30	Maximum Annual Debt Service[(1)]	Infrastructure Sales Surtax Revenues	Pro-Forma Debt Service Coverage
2025	$5,155,250.00	$71,247,707.00	13.82x

(1) Maximum Annual Debt Service includes estimated annual debt service on the Series 2026 Bonds based on an estimated principal amount of $60,160,000, and a final maturity of October 1, 2044. See "DEBT SERVICE SCHEDULE" herein for more information regarding debt service on the Series 2026 Bonds.

Recent Legislation

The Florida Legislature passed HB 7031 during its 2025 session and approved by the Governor. Among other things, HB 7031 implements permanent sales tax exemptions for: back-to-school sales holiday for the month of August each year, permanent sales tax exemptions for the certain items that have been previously temporarily exempted in disaster preparedness and freedom summer sales tax holidays, provides a complete exemption from sales tax on the sale of gold, silver, and platinum bullion; and exemptions for sales of admissions to specified NASCAR races and to state parks. Effective October 1, 2025, Section 212.031, Florida Statutes, was repealed pursuant to HB 7031, eliminating such tax on commercial rent. Accordingly, rent for periods on or after such date is not subject to such taxes, while rent relating to prior periods remains taxable. In addition, HB 7031 amended Section 212.055, Florida Statutes, to provide that beginning on October 1 of the fourth year a surtax is levied under Section 212.055, Florida Statutes, the governing board or school board that levies such surtax may, by ordinance or resolution that is approved by a two-thirds vote of the governing board or school board, reduce the surtax to any rate allowable under Chapter 212, Florida Statutes, or repeal the surtax in its entirety. Any reduction or repeal shall take effect on the January 1 following approval of the ordinance or resolution reducing the rate of or repealing a surtax under this subsection unless January 1 of a later year is specified in the ordinance or resolution. Section 212.055(12), Florida Statutes, does not apply to a surtax that is subject to an expiration date specified in the ordinance or resolution imposing or reenacting the tax. Section 212.055(12), Florida Statutes, applies to any surtax in effect on July 1, 2025, or adopted thereafter, if the surtax does not have a specified expiration date. However, the County’s Infrastructure Sales Surtax is subject to a specified expiration date of December 31, 2044. While HB 7031 had the tax effect of reducing Infrastructure Sales Surtax Revenues, the County does not believe it will have a material adverse impact on its ability to pay debt service on the Series 2026 Bonds.

RISK FACTORS

The purchase of the Series 2026 Bonds involves a degree of risk, as is the case with all investments. Factors that could affect the County's ability to perform its obligations under the Resolution, including the timely payment of principal of and interest on the Series 2026 Bonds, include, but are not limited to, the following:

1. Legislative Risks. The State legislature, executive officers and agencies could enact legislation, executive orders or regulations that may have a material adverse effect on the County's finances or the receipt of Infrastructure Sales Surtax Revenues. In addition, the United States Congress, federal executive officers and federal agencies could also enact legislation, executive orders or regulations that may have a material adverse effect on the County's finances or the receipt of Infrastructure Sales Surtax Revenues. There can be no assurance that such legislation, executive orders, regulations or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the County's finances or Infrastructure Sales Surtax Revenues. The County cannot predict future policies such agencies may adopt. Future changes could result in the County having to discontinue operations at certain facilities or to make significant capital expenditures and could generate litigation.

In addition, the County's receipt of State and federal grants and aid is subject to various laws, policies and regulations. To the extent of a reduction in such aid or grants compared to historical levels as a result of new or amended policies, regulations or laws, the financial condition of the County could be adversely affected.

To address property reform with a goal of placing a property tax amendment on the upcoming November ballot, the Governor called a special legislative session that started on Monday, June 1, 2026. Senate Joint Resolution 2-F was filed on May 28, 2026, as amended, and proposed amendments to the State Constitution to, among other things, revise the limitation on annual assessment increases from 10% to 5% for non-homestead real property, increase the homestead exemption for non-school ad valorem taxes to the first $150,000 of assessed value of homestead properties in 2027 and to the first $250,000 of assessed value of homestead properties in 2028, with a mandate for the Florida Legislature to create a schedule for full elimination of ad valorem taxes, and impose other limitations on the use of ad valorem taxes levied by counties and municipalities. House Joint Resolution 1F, as amended, an identical bill to Senate Joint Resolution 2-F, was subsequently passed by the Florida House and Florida Senate, placing such amendments on the November 2026 ballot. Such measures, if approved, could reduce the ad valorem tax base or affect the taxing authority of local governments. The constitutional amendments would require approval by at least 60% of voters at the November 2026 statewide referendum before becoming effective and there can be no assurance that such statewide referendum will pass. If approved, the amendments would go into effect on January 1, 2027, which would have a material impact on the County's future budgets starting with the Fiscal Year ending September 30, 2028 Fiscal Year. The cumulative effect of current or future changes to ad valorem taxation could have a material adverse impact on local government finances, including increasing the amount of non-ad valorem revenues required to fund certain essential governmental services and other County operations.

There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would have a material adverse effect on the collection of ad valorem taxes by the County, the County's finances in general or the County's ad valorem taxing power. See "APPENDIX A – FLORIDA CONSTITUTIONAL LIMITATIONS AND PROPERTY TAX REFORM" attached hereto.

2. Economic Considerations. In certain cases, the amount of Infrastructure Sales Surtax Revenues being received by the County may weaken as non-essential expenditures by the public are curtailed. A retrenchment in consumer and business spending and confidence may be caused by economic conditions, including without limitation diminishing wealth effect from real estate price depreciation, a credit crisis, increased unemployment, a decline in exports, stagnant growth in population, and a decrease in tourism. Past recessions in the national economy, which create higher unemployment and reduced discretionary income, also negatively impacted Infrastructure Sales Surtax Revenues. Federal policies on local and international trade can have a negative impact on economy which can increase costs for the County, such as proposed or implemented tariffs on certain imports to the United States. High levels of inflation can negatively impact the cost of goods, including construction materials and products needed by the County. If estimated or actual revenues of the County are less than needed, then the County would address such reduction in revenues through expenditure reductions and/or use of reserves. Conversely, if the revenues of the County are more than needed, the County would apply any such excess revenues to increase its reserves. Economic factors may also affect project costs and longer project timelines. Therefore, for new projects that have not yet started, the County is taking these factors into account in budgeting and scheduling.

3. Climate Change and Natural Disasters. The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods, droughts, and hurricanes, which could result in negative economic impacts on communities such as the County. Such effects can be exacerbated by change in climate. The occurrence of such extreme weather events could damage the local infrastructure that provides essential services to the County. The economic impacts resulting from such extreme weather

events could include a loss of property values, a decline in revenue base, and escalated recovery costs. No assurance can be given as to whether future extreme weather events will occur that could materially impair the financial condition of the County. The County participates in the Florida Recovery Obligation Calculation (F-ROC) program, which requires the County to submit procedures, contracts, historical information and other documentation to the State for review and recommendations. Debris removal is expected to be the primary hurricane-related cost driver for the County. The County has agreements in place with contractors for debris removal and monitoring services, and such costs are paid from the Solid Waste Fund.

In the past five years, the County has been financially impacted by three hurricanes: Ian (2022), Idalia (2023), and Milton (2024). The primary costs were attributed to emergency protective measures, debris removal, and public health and safety. The total costs were $5,189,775.86, of which $1,450,666.01 (28%), was reimbursed by FEMA. The County has and continues to maintain adequate reserves to cover hurricane related costs.

Hurricane Ian made landfall on September 28, 2022, near Cayo Costa in southwestern Florida, as a Category 4 hurricane. As reflected in the County's Florida Public Assistance records under FEMA-4673-DR-FL, the County's eligible scope for this event includes emergency protective measures. Total expenditures for these activities were $1,066,608.46, of which $405,406.96 was eligible and reimbursed from FEMA.

On August 30, 2023, Hurricane Idalia made landfall on the southeast Florida Big Bend coast near Keaton Beach as a Category 3 hurricane. As reflected in the County's Florida Public Assistance records under FEMA-4734-DR-FL, the County's eligible scope for this event includes emergency protective measures. Total expenditures for these activities were $592,320.50, of which $14,096.25 was eligible and reimbursed from FEMA.

Hurricane Milton made landfall on October 9, 2024, on the Gulf Coast near Siesta Key, as a Category 3 hurricane. As reflected in the County's Florida Public Assistance records under FEMA-4834-DR-FL, the County's eligible scope for this event includes expedited debris removal for the first 1 through 120 days following the storm, as well as public health and safety. Total expenditures for these activities were $3,530,846.90, of which $1,031,162.80 – consisting of $935,244.37 for debris removal, and $95,918.43 for public health and safety, were eligible and reimbursed from FEMA.

4. Cybersecurity. The County, like many other governmental entities, relies on a technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computers, other sensitive digital systems, and networks. There can be no assurance that any security and operational control measures implemented by the County will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attack could impact operations and/or digital networks and the costs of remedying any such damage could be significant.

To address cybersecurity risks the County, through its IT Department, conducts weekly phishing simulation campaigns to strengthen employee cybersecurity awareness and identify opportunities for additional training. The IT Department also contracts for annual independent penetration testing to evaluate the security of County's systems and identify potential vulnerabilities. Additionally, the IT Department maintains and regularly reviews its Information Security Policies and Business Continuity

Plan (BCP) to keep aligned with evolving cyber threats, industry best practices, regulatory requirements, and the County's operational objectives.

To enhance the County's cyber resilience, the IT Department utilizes a modern enterprise backup and recovery platform that provides immutable backups, ransomware detection, continuous monitoring, rapid recovery capabilities, and secure replication of critical systems. These advanced data protection technologies help safeguard County information assets, support business continuity, and improve the County's ability to recover from cyber incidents or other disruptive events. Together, these administrative, technical, and operational safeguards establish a comprehensive cybersecurity program designed to protect critical systems, data availability, and maintain the continuity of essential County services.

During the 2022 Florida Legislative session, CS/HB 7055 was passed which requires State agencies and local governments, such as the County, to report all ransomware incidents and high severity level cybersecurity incidents to the Cybersecurity Operations Center ("CSOC") and the Cybercrime Office within the Florida Department of Law Enforcement as soon as possible but no later than 48 hours after discovery of the cybersecurity incident and no later than 12 hours after discovery of a ransomware incident. Local governments must also report such incidents to their respective sheriff's office. CS/HB 7055 requires State agencies to report low level cybersecurity incidents and provides that local governments may report such incidents. It also requires State agencies and local governments to submit after-action reports to FLDS following a cybersecurity or ransomware incident. CS/HB 7055 requires the CSOC to notify the State Legislature of high severity level cybersecurity incidents. State agency and local government employees are required to undergo certain cybersecurity training within 30 days of employment and annually thereafter. Further, local governments are required to adopt cybersecurity standards that safeguard the local government's data, IT, and IT resources and it is illegal for any local government in the State to pay ransoms when attacked. The effective date of CS/HB 7055 was July 1, 2022.

During the past five years, the County has not experienced any material cybersecurity incidents, and as such, has had no reporting obligations.

5. Pandemics. The outbreak of the highly contagious COVID-19 pandemic in the United States that occurred March 2020 had a negative financial impact on local, state and national economies around the globe, including initially significantly increased unemployment in certain sectors including especially travel, hospitality and restaurants. COVID-19 led to quarantine, remote work and other "social distancing" measures throughout the United States which resulted in a period of less travel resulting in declines in certain revenue sources. There can be no guarantee that another pandemic will not occur which could have negative financial impacts on the County.

This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2026 Bonds and prospective purchasers are advised to read this Official Statement in its entirety for a more complete description of investment considerations relating to the Series 2026 Bonds.

INVESTMENT POLICY

All financial assets of the Board (except pension funds and funds related to the issuance of debt where there are existing policies in effect for such funds) are currently governed by an investment policy prepared by the Clerk and adopted by the Board on March 3, 2015.

Authorized investments, subject to limitations described in the investment policy, include:

A. United States Treasury, GNMA (Ginnie Mae), and other United States government guaranteed;
B. Federal Agency (United States Government Sponsored Enterprises which are non-full faith and credit);
C. Supranationals;
D. Corporates;
E. Municipals;
F. Agency Mortgaged-Backed Securities;
G. Asset-Backed Securities;
H. Non-Negotiable Interest Bearing Time Certificates of Deposit;
I. Commercial Paper;
J. Bankers' Acceptances;
K. Repurchase Agreements;
L. Money Market Mutual Funds;
M. Fixed-Income Mutual Funds and Exchange-Traded Funds;
N. Intergovernmental Investment Pool; and
O. Florida Local Government Surplus Funds Trust Fund.

Investment in any derivative products or the use of reverse repurchase agreements requires specific Board approval prior to their use. If the Board approves the use of derivative products, the Finance Director shall develop sufficient understanding of the derivative products and have the expertise to manage them. A "derivative" is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or indices or asset values. If the Board approves the use of reverse repurchase agreements or other forms of leverage, the investment shall be limited to transactions in which the proceeds are intended to provide liquidity and for which the Finance Director has sufficient resources and expertise to manage them.

The Board may revise the aforementioned investment policy from time to time.

For information relating to the investment of funds and accounts created pursuant to the Resolution, please see "APPENDIX B –Form of the Resolution" attached hereto.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Series 2026 Bonds are subject to an approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, whose approving opinion (a form of which is attached hereto as "APPENDIX C – Form of Bond Counsel Opinion") will be available at the time of delivery of the Series 2026 Bonds. The actual legal opinion to be delivered by Bond Counsel may vary from that text if necessary to reflect facts and law on the date of delivery. Such opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date.

Bond Counsel has not been engaged to, nor has it undertaken to, review (1) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2026 Bonds; provided, however, that Bond Counsel will render an opinion to the Underwriters of the Series

2026 Bonds (upon which opinion only the Underwriters may rely) relating to the fairness of the presentation of certain statements which summarize provisions of the Resolution, the Series 2026 Bonds, and federal tax law, and (2) the compliance with any federal or state law with regard to the sale or distribution of the Series 2026 Bonds.

Certain legal matters will be passed on for the County by Matthew G. Minter, Esq., County Attorney, and by Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel to the County. Certain legal matters will be passed upon for the Underwriters by GrayRobinson P.A., Tampa, Florida.

LITIGATION

There is no pending or, to the knowledge of the County, any threatened litigation against the County of any nature whatsoever which in any way questions or affects the validity of the Series 2026 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the adoption of the Resolution, or the pledge of the Pledged Funds. Neither the creation, organization or existence, nor the title of the present members of the Board, or other officers of the County, is being contested.

The County is involved in claims, litigation and other legal proceedings which are not expected individually to materially adversely affect the County's operations or financial condition, though they could have a material aggregate impact. In the County Attorney's opinion, <u>except for the matter discussed below</u>, the County will successfully defend or otherwise resolve these matters without material adverse financial consequences

On July 28, 2017, following a public hearing, the Board denied AZ Ocala Ranch, LLC's development applications for its approximately 3,470-acre tract in the western part of the County. The applications sought to amend the Future Land Use Map from Rural Land to Rural Community and rezone the property from A-1 General Agricultural to PUD for a mixed-use development with approximately 5,800 homesites. The existing land use and zoning allowed one dwelling unit per 10 acres; the proposed changes would have allowed 2.8 dwelling units per acre or approximately 28 times the existing maximum density.

After two unsuccessful mediation attempts, AZ Ocala Ranch, LLC and Marion Mitigation, LLC sued the County in 2018, challenging the denials. The operative Third Amended Complaint (Case No. 2017-1557-CAG), filed November 20, 2018, asserted three counts: (I) declaratory and injunctive relief under Section 163.3215, Florida Statutes, alleging the PUD denial was inconsistent with the Comprehensive Plan; (II) declaratory and injunctive relief challenging denial of the Comprehensive Plan amendment; and (III) damages under the Bert J. Harris, Jr. Private Property Rights Protection Act (the "Bert Harris Act"), alleging an inordinate burden on the owner's investment-backed expectations. The Complaint claimed a $20.28 million diminution in value, subject to increase with property values, and the County could also face prejudgment interest from 2017 plus attorneys' fees and costs if liability is ultimately found.

After years of litigation and competing summary judgment motions, the trial court entered final summary judgment for the County on all counts on May 20, 2024. AZ Ocala appealed to the Fifth District Court of Appeal, which held oral argument on January 13, 2026, and later ordered supplemental briefing. As of the date hereof, the parties await a decision. If the judgment is not affirmed, the worst-case scenario would be reversal with a finding that the County's denial caused an inordinate burden, leaving only damages for jury trial. Alternatively, the case could be remanded for trial on both liability and damages, though other outcomes based on the County's affirmative defenses may be more favorable. Any damages awarded by the possibility of a jury trial, would likely occur no earlier than late 2027, depending on the timing of the appellate decision. Even if a significant damages award were entered, the Bert Harris Act would give the County ownership of the density rights paid for, permanently limiting density on the property and potentially creating grounds for settlement, notwithstanding the verdict.

Any adverse judgment would not affect the County's ability to pay Debt Service on the Series 2026 Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities, other than general obligation bonds and those industrial or commercial development bonds where payments are made or unconditionally guaranteed by a person whose securities are exempt from registration under Section 18(b)(1) of the Securities Act of 1933, as amended, of the County except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31, 1975, as provided by rule of the Office of Financial Regulation within the Florida Financial Services Commission (the "FFSC"). Pursuant to administrative Rule 69W-400.003, the FFSC has required the disclosure of the amount, date, status and type of each default, specified descriptions of any legal proceedings resulting from such defaults and discussion of any materially relevant pending legal proceedings, whether a trustee or receiver has been appointed over the assets of the County, and certain additional financial information, unless the County believes in good faith that such information would not be considered material by a reasonable investor. The County is not and has not been in default on any bond issued since December 31, 1975 that would be considered material by a reasonable investor.

The County has not undertaken an independent review or investigation of securities for which it has served as conduit issuer. The County does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2026 Bonds because the County would not have been obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the County would have been pledged or used to pay such securities or the interest thereon.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Bond Counsel, the form of which is included as APPENDIX C attached hereto, the interest on the Series 2026 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under existing statutes, regulations, rulings and court decisions; provided, however, with respect to certain corporations, interest on the Series 2026 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. Failure by the County to comply subsequent to the issuance of the Series 2026 Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to requirements regarding the use, expenditure and investment of Series 2026 Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2026 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The County has covenanted in the Resolution to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2026 Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2026 Bonds, including, among other things, restrictions relating to the use of investment of the proceeds of the Series 2026 Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2026 Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2026 Bonds being included in gross income for federal income tax purposes retroactive to their date of issue.

Collateral Tax Consequences

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2026 Bonds. Prospective purchasers of the Series 2026 Bonds should be aware that the ownership of the Series 2026 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2026 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2026 Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2026 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2026 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2026 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE SERIES 2026 BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Series 2026 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2026 Bonds should consult their tax advisors as to the income tax status of interest on the Series 2026 Bonds in their particular state or local jurisdictions.

The Inflation Reduction Act, H.R. 5376 (the "IRA"), was passed by both houses of the U.S. Congress and was signed by the President on August 16, 2022. As enacted, the IRA includes a 15% alternative minimum tax to be imposed on the "adjusted financial statement income," as defined in the IRA, of certain corporations for tax years beginning after December 31, 2022. Interest on the Series 2026 Bonds will be included in the "adjusted financial statement income" of such corporations for purposes of computing the corporate alternative minimum tax. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential tax consequences of owning the Series 2026 Bonds.

During recent years legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2026 Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2026 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2026 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2026 Bonds.

Original Issue Discount

Certain of the Series 2026 Bonds (the "Discount Bonds") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Discount Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. An initial purchaser who acquires a Discount Bond at the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he holds such Discount Bonds and will increase its adjusted basis in such Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

Original Issue Premium

Certain of the Series 2026 Bonds (the "Premium Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

RATING

S&P Global Ratings ("S&P") has assigned their municipal bond rating of "AA-" (stable outlook), to the Series 2026 Bonds. The rating reflects only the views of such rating agency and an explanation of the rating may be obtained only from such rating agency. There is no assurance that such rating will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agency if in its judgment, circumstances so warrant. A downward change in or withdrawal of any of such rating, may have an adverse effect on the market price of the Series 2026 Bonds. An explanation of the significance of the rating can be received from the rating agency, at the following address: S&P, 55 Water Street, 38th Floor, New York, New York 10041.

MUNICIPAL ADVISOR

The County has retained PFM Financial Advisors LLC, Orlando, Florida, as Municipal Advisor in connection with the County's financing plans and with respect to the authorization and issuance of the Series 2026 Bonds (the "Municipal Advisor"). The Municipal Advisor is not obligated to undertake and has not undertaken to independently verify or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement. The Municipal Advisor did not participate in the underwriting of the Series 2026 Bonds.

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the County as of September 30, 2025, and for the year then ended, have been audited by Purvis, Gray & Company, Ocala, Florida (the "Independent Auditor") as stated in their report included in "APPENDIX D – Annual Comprehensive Financial Report of the County for Fiscal Year ended September 30, 2025" attached hereto. The Independent Auditor has not consented to the use of such report herein however such report is being presented as a publicly available document.

The Series 2026 Bonds are payable solely from the Pledged Funds as described in the Resolution and herein and the Series 2026 Bonds are not otherwise secured by, or payable from, the general revenues of the County. The General Purpose Audited Financial Statements attached hereto as "APPENDIX D – Annual Comprehensive Financial Report of the County for Fiscal Year ended September 30, 2025" are presented for general information purposes only.

UNDERWRITING

The Series 2026 Bonds are being purchased by J.P. Morgan Securities LLC, on behalf of itself and BofA Securities Inc., Raymond James & Associates, Inc., Wells Fargo Securities, LLC (collectively, the "Underwriters"). The Underwriters have agreed to purchase the Series 2026 Bonds at an aggregate purchase price of $__________ (representing the par amount of the Series 2026 Bonds of $_______________ [plus/less] a[n] [net] original issue [premium/discount] of $_______________ and [plus/less] an Underwriters' discount of $__________. The Underwriters' obligations are subject to certain conditions precedent described in a contract of purchase with the Underwriters, and they will be obligated to purchase all of the Series 2026 Bonds if any Series 2026 Bonds are purchased. The Series 2026 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2026 Bonds into investment trusts) at prices lower than the public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, the Underwriters and their respective affiliates may have certain creditor and/or other rights against the County and its affiliates in connection with such activities. In the various course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the County (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the County. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Series 2026 Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Series 2026 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2026 Bonds that JPMS sells.

BofA Securities, Inc. ("BofA Securities"), one of the Underwriters of the Series 2026 Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities may compensate MLPF&S as a dealer for their selling efforts with respect to the Series 2026 Bonds.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Securities Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association ("WFBNA"), registered with the SEC as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

WFBNA, acting through its Municipal Finance Group, one of the Underwriters of the Series 2026 Bonds, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the Series 2026 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2026 Bonds with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Series 2026 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

The Underwriters have reviewed the information in this Official Statement in accordance with and, as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

CONTINGENT FEES

The County has retained Bond Counsel, Disclosure Counsel and Municipal Advisor with respect to the authorization, sale, execution and delivery of the Series 2026 Bonds. Payment of all or a portion of the fees of such professionals relating to the issuance of the Series 2026 Bonds and a discount to the Underwriters (which includes the fees of Underwriters' Counsel) are each contingent upon the issuance of the Series 2026 Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2026 Bonds upon an event of default under the Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the federal bankruptcy code, the remedies specified by the Resolution and the Series 2026 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2026 Bonds (including Bond Counsel's approving opinion) will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. See "APPENDIX B -- Form of the Resolution" attached hereto for a description of events of default and remedies.

CONTINUING DISCLOSURE

The County has covenanted for the benefit of the Series 2026 Bondholders to provide certain financial information and operating data relating to the County, the Pledged Funds, and the Series 2026 Bonds in each year, and to provide notices of the occurrence of certain enumerated material events. The County has agreed to file annual financial information and operating data and the audited financial statements with each entity authorized and approved by the SEC to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the SEC (the "Rule"). Effective July 1, 2009, the sole Repository is the Municipal Securities Rulemaking Board. The County has agreed to file notices of certain enumerated events, when and if they occur, with the Repository.

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX E - Form of Continuing Disclosure Certificate" attached hereto. The Continuing Disclosure Certificate shall be executed by the County upon the issuance of the Series 2026 Bonds. These covenants have been made in order to assist the Underwriters in complying with the continuing disclosure requirements of the Rule.

With respect to the Series 2026 Bonds, no party other than the County is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule. The County's dissemination agent is Digital Assurance Certification L.L.C.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The references, excerpts, and summaries of all documents, statutes, and information concerning the County and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2026 Bonds, the security for the payment of the Series 2026 Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2026 Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

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AUTHORIZATION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the County. At the time of delivery of the Series 2026 Bonds, an official of the County will furnish a certificate to the effect that nothing has come to his or her attention which would lead that person to believe that the Official Statement (other than information herein related to DTC, the book-entry only system of registration and the information contained under the caption "TAX MATTERS" as to which no opinion shall be expressed), as of its date and as of the date of delivery of the Series 2026 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

MARION COUNTY, FLORIDA

By:____________________________________
Chairman of the Board of County Commissioners

By: ____________________________________
Clerk of Court, Comptroller and Ex-Officio Clerk to the Board of County Commissioners

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APPENDIX A

GENERAL INFORMATION REGARDING THE COUNTY

THE FOLLOWING INFORMATION CONCERNING MARION COUNTY, FLORIDA (THE "COUNTY"), IS INCLUDED ONLY FOR THE PURPOSE OF PROVIDING GENERAL BACKGROUND INFORMATION. THE SERIES 2026 BONDS ARE PAYABLE SOLELY FROM THE SOURCES DESCRIBED IN THE OFFICIAL STATEMENT TO WHICH THIS INFORMATION IS APPENDED, AND ARE NOT GENERAL OBLIGATIONS OF THE COUNTY, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF IS REQUIRED TO LEVY ANY TAX FOR PAYMENT OF THE SERIES 2026 BONDS.

GENERAL

The County was created by the Florida Legislature on March 14, 1844, from land formerly comprising portions of Alachua, Hillsborough and Orange Counties. The County was named in honor of General Francis Marion.

The County is located in north central Florida and encompasses approximately 1,588 square miles of land area. Interstate 75 and U.S. Highways 27, 301 and 441 provide access to the County. The County includes five incorporated municipalities: the City of Ocala, which is the county seat, the City of Belleview, the City of Dunnellon, the Town of McIntosh and the Town of Reddick. A majority of the County's population resides in the unincorporated area.

The County provides a broad range of governmental services, including law enforcement, fire protection and emergency medical services, corrections, road construction and maintenance, water and wastewater services, solid waste services, parks and recreation, planning and zoning, and economic development programs.

LOCATION

The County is located in North Central Florida and encompasses approximately 1,652 square miles in total area, of which approximately 1,588 square miles constitute land area, making it one of the larger counties in the State. The County is bounded by Alachua County and Putnam County to the north; Lake County and Lake George to the east; Sumter County and Volusia County to the south; and Levy County and Citrus County to the west.

Ocala, the county seat, is located approximately 37 miles south of Gainesville, 80 miles west of Daytona Beach, 80 miles north of Orlando and 98 miles northeast of the Tampa–St. Petersburg metropolitan area.

The eastern portion of the County includes part of the Ocala National Forest. The forest, together with its lakes, rivers and other natural resources, provides recreational opportunities for residents and visitors.

The following table sets forth the land area of each incorporated municipality within the County and the unincorporated area of the County:

Land Area	Square Miles
City of Ocala	47.3
City of Belleview	3.9
City of Dunnellon	6.3
Town of Reddick	1.3
Town of McIntosh	0.7
Unincorporated Area	1,529.0
Marion County Total	1,588.4

Source: United States Census Bureau

GOVERNMENT

The County is a political subdivision of the State of Florida (the "State") and derives its authority from the Constitution and laws of the State. The County operates under a commission-administrator form of government.

The Board of County Commissioners of Marion County, Florida (the "Board") consists of five commissioners elected at large to staggered four-year terms. Each commissioner must satisfy the residency requirements applicable to his or her district. The Board establishes County policy, adopts the County's annual budget and tax levies, and appoints the County Administrator.

In addition to the Board, five elected constitutional officers perform governmental functions prescribed by the Constitution and laws of the State: the Clerk of the Circuit Court and Comptroller, the Property Appraiser, the Sheriff, the Supervisor of Elections and the Tax Collector. The current members of the Board are set forth below:

Commissioner	Office	Expiration of Current Term
Carl Zalak, III	Chairman	November, 2026
Matt McClain	Vice Chairman	November, 2028
Kathy Bryant	Commissioner	November, 2026
Craig Curry	Commissioner	November, 2028
Michelle Stone	Commissioner	November, 2028

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POPULATION

The County has experienced substantial population growth. The County's estimated population increased from 345,749 in 2016 to 433,765 in 2025. According to medium population projections prepared by the University of Florida Bureau of Economic and Business Research, the County's population is projected to reach approximately 471,100 by 2030, 527,900 by 2040 and 566,200 by 2050.

The City of Ocala is the county seat and the largest municipality in the County. As of April 1, 2025 the estimated population was 71,017.

The following table presents recent County and State population information:

Marion County and the State of Florida
Historical Population Data

	Marion County		State of Florida	
Year	Population[1]	% Change	Population	% Change
2016	345,749	-	20,148,654	-
2017	349,267	1.0%	20,484,142	1.7%
2018	353,898	1.3	20,840,568	1.7
2019	360,421	1.8	21,208,589	1.8
2020	368,135	2.1	21,538,187	1.6
2021	381,176	3.5	21,898,945	1.7
2022	391,983	2.8	22,276,132	1.7
2023	403,966	3.1	22,634,867	1.6
2024	419,510	3.8	23,014,551	1.7
2025	433,765	3.4	23,379,261	1.6

(1) Calculated as of each April 1 of the corresponding year.
Source: University of Florida, Bureau of Economic and Business Research.

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BUDGET PROCESS

The County follows the procedures set forth in Chapters 129 and 200, Florida Statutes, in preparing and adopting its annual budget. The County's fiscal year begins on October 1 and ends on September 30 of the following calendar year.

Pursuant to Section 129.025, Florida Statutes, the Clerk of the Circuit Court and Comptroller serves as the budget officer for the Board. The Budget Office of the Clerk of the Circuit Court and Comptroller prepares the County's proposed annual budget, presents the proposed budget to the Board and facilitates the annual budget process.

The County's budget includes funding for the operations of departments under the Board and for the operations of the County's constitutional officers, including the Clerk of the Circuit Court and Comptroller, the Property Appraiser, the Sheriff, the Supervisor of Elections and the Tax Collector. The County's budget also includes funding for various other governmental services and functions, including the County Health Department and certain costs associated with criminal prosecutions.

The Board conducts public hearings before adopting the tentative and final budgets and related tax levies pursuant to Section 200.065, Florida Statutes. Such hearings provide members of the public with an opportunity to comment on the proposed budgets and tax levies. The tentative budget must be posted on the County's official website at least two days before the public hearing at which the tentative budget will be considered. The final budget must be posted on the County's official website within 30 days after its adoption.

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COMMERCE AND INDUSTRY

In 2001, Ocala/Marion County was designated the "Horse Capital of the World®." The World Equestrian Center–Ocala, one of the largest equestrian complexes in the United States, opened in 2021 and hosts national and international competitions throughout the year. The facility also includes hotel, retail, restaurant and event venues that have contributed to the expansion of the County's tourism and hospitality sectors.

The County is home to more horses and ponies than any other county in the United States and contains approximately 35% of Florida's horses and 46% of the State's thoroughbreds. More than 15,000 thoroughbreds train annually in Florida, and equine operations encompass more than 195,000 acres within the County.

According to a 2023 study prepared by the Florida Thoroughbred Breeders' and Owners' Association, the opening of the World Equestrian Center contributed to increased equine activity in the County, attracted out-of-state owners and supported the development of a local polo market. The County hosts a number of nationally and internationally recognized equine events, including Horse Shows in the Sun, Live Oak International, the North American Reining Stakes and the World Equestrian Center's Winter Spectacular. The Florida Horse Park, a 500-acre facility located within the County, hosts additional equestrian competitions and events.

The equine industry supports a broad range of related businesses, including feed and supply operations, veterinary and equine medical services, breeding and training facilities, and equine transportation companies. The industry is estimated to support more than 28,500 jobs within the County, representing approximately one in five jobs countywide.

The County is also a location for warehousing, distribution and manufacturing activity due in part to its proximity to major transportation corridors, including Interstate 75, Florida's Turnpike and U.S. Highways 27, 301 and 441. The County's central location provides access to Jacksonville, Orlando and Tampa, each of which is located within approximately a two-hour drive, and facilitates access to regional markets throughout Florida and the southeastern United States.

Distribution, logistics and manufacturing development has been concentrated primarily within the Florida Crossroads Commerce Park and the Ocala/Marion County Commerce Park, both of which are located along the Interstate 75 corridor. Such development includes Hunt Midwest's first industrial project in Florida. From 2019 through 2023, the Ocala metropolitan area's distribution and warehouse inventory increased by approximately 43.4%, which represented the fifth-highest increase among metropolitan areas in the United States during that period according to a study conducted by Commercial Search.

Relevant investments and transactions include the following:

i. <u>FedEx</u>: FedEx Ground operates a distribution hub within the County that was developed as an approximately $170 million investment. In May 2026, FedEx Freight, Inc. expanded its presence within the County through the acquisition of an approximately 10-acre freight distribution facility in southwest Ocala for approximately $6.3 million.

ii. <u>Amazon</u>. In October 2025, Amazon acquired a warehouse containing more than one million square feet in northwest Ocala for approximately $97.7 million. The transaction was reported as the largest real estate transaction recorded within the County during 2025.

iii. Coca-Cola Beverages Florida. Coca-Cola Beverages Florida opened a sales and distribution center in Ocala in 2024. The facility represented an investment of approximately $10 million and employs more than 100 persons.

The following chart shows the average employment in the various sectors of the labor force in actual numbers of people employed in the County and the average annual wage for 2025:

Marion County, Florida
Employment by Sector
as of September 30, 2025

Industry	Average Employment	Average Annual Wage
Agriculture, Forestry, Fishing and Hunting	1,552	$45,686
Mining	296	75,727
Utilities	306	99,272
Construction	10,602	61,599
Manufacturing	9,544	65,556
Wholesale Trade	4,676	75,660
Retail Trade	19,170	42,709
Transportation and Warehousing	5,818	50,503
Information	605	85,905
Finance and Insurance	2,194	81,777
Real Estate and Rental and Leasing	1,998	51,452
Professional and Technical Services	4,627	73,063
Management of Companies and Enterprises	523	77,426
Administrative and Waste Services	5,314	45,740
Educational Services	1,029	39,334
Health Care and Social Assistance	19,803	66,789
Arts, Entertainment, and Recreation	2,619	33,631
Accommodation and Food Services	12,121	27,343
Other Services, Except Public Administration	3,134	42,916
Unclassified	53	48,264

Source: U.S. Bureau of Labor Statistics.

Marion County, Florida
Principal Employers
as of September 30, 2025

Name of Employer	Number of Employees	Type of Business
Marion County Public Schools	6,306	Education
AdventHealth Ocala	3,606	Healthcare
HCA Florida Hospitals	3,171	Healthcare
Wal-Mart	2,689	Retail Sales
State of Florida (All Depts.)	2,600	Government
Publix Supermarkets	2,257	Retail Sales
FedEx Ground	1,500	Distribution
Marion County BCC	1,368	Government
City of Ocala	1,134	Government
Lockheed Martin	1,100	Manufacturing

Source: Marion County, Florida Annual Comprehensive Financial Report Fiscal Year Ended September 30, 2025.

Demographic and Economic Statistics
Marion County, Florida
September 30, 2025

Fiscal Year	Population	Per Capita Personal Income	Personal Income (in thousands)	School Enrollment	Unemployment Rate
2016	350,449	$34,331	$12,031,265	42,474	6.00%
2017	356,842	35,661	12,725,343	42,893	4.90
2018	362,918	36,817	13,361,552	42,881	4.20
2019	369,683	38,425	14,205,069	42,818	3.80
2020	377,472	40,887	15,433,698	43,008	7.50
2021	385,135	44,712	17,220,156	41,324	4.70
2022	396,437	44,355	17,583,963	42,863	3.50
2023	409,959	46,682	19,137,706	45,462	4.00
2024	419,510	47,821	20,061,388	45,879	4.40
2025	433,765	49,262	21,368,131	46,004	5.30

Source: Marion County, Florida Annual Comprehensive Financial Report Fiscal Year Ended September 30, 2025.

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TOURISM AND RECREATION

Tourism is an important component of the County's economy. According to tourism research covering the period from October 2024 through September 2025, tourism activity supported more than 8,600 jobs and generated approximately $1 billion in economic impact within the County. During such period, more than 1.4 million visitors spent an estimated $664 million within the County.

The County's principal natural and recreational attractions include: (1) Silver Springs State Park, one of Florida's oldest tourist attractions, which offers glass-bottom boat tours, kayaking and canoeing on the Silver River, approximately 15 miles of hiking and biking trails, and a boardwalk through the headsprings area; (2) the Rainbow River, which provides opportunities for swimming, tubing, snorkeling and paddling; (3) the Ocala National Forest, portions of which are located within the County and provide opportunities for hiking, camping, fishing, hunting, boating and swimming; and (4) an extensive network of trails and greenways.

TRANSPORTATIONS FACILITIES

Highways. Interstate 75 extends north to south through the County and includes multiple interchanges serving Ocala and the surrounding areas. Florida's Turnpike terminates at Interstate 75 immediately south of the County, providing access to Central and South Florida. U.S. Highways 27, 301 and 441 also traverse the County. State Road 40 and State Road 200 serve as principal east-west transportation corridors and provide connections to the Gulf Coast and the Atlantic Coast. In February, 2025, Governor DeSantis announced the groundbreaking of over 31 miles of new auxiliary lanes to be added to I-75, from the State Road 44 in Wildwood to State Road 326 in Ocala as part of the Moving Florida Forward Initiative.

Bus Service. SunTran, the public transportation system administered by the City of Ocala, has operated since 1998 and provides fixed-route bus service on seven routes serving Ocala and portions of the County six days per week.

Rail Transportation. Freight rail service within the County is provided by CSX Transportation, together with local service provided by its short-line partner, the Florida Northern Railroad. Direct rail access is available within several of the County's business and commerce parks.

Airports. Ocala International Airport, which is owned and operated by the City of Ocala, is located approximately five miles west of downtown Ocala and serves general aviation, corporate and charter aircraft. Marion County Airport, located near Dunnellon, provides additional general aviation capacity.

EDUCATION FACILITIES

Marion County Public Schools, established in 1869, operates the public school system serving the County. The school district operates more than 50 schools and enrolls approximately 45,500 students. The district includes elementary, middle and high schools, charter schools and a virtual school. The County's public school system is supplemented by numerous private schools.

Institutions of higher and technical education located within the County include the College of Central Florida, Marion Technical College and Rasmussen University.

POLICE AND FIRE PROTECTION

The Marion County Sheriff's Office is the primary law enforcement agency serving the County. The Sheriff's Office is organized into five bureaus: the Law Enforcement Bureau, the Detention Bureau, the Administrative Services Bureau, the Operational Support Bureau and the Budget and Finance Bureau.

The Law Enforcement Bureau includes the Patrol Division, the Criminal Investigations Division and the Drug Unit. The Patrol Division provides uniformed law enforcement services through district offices located throughout the County. Personnel are assigned among the districts based on factors that include calls for service, response times, crime rates and population. The Criminal Investigations Division investigates major crimes and property crimes and performs crime-analysis functions.

The Drug Unit, known as the Unified Drug Enforcement Strike Team, participates in the federally funded initiatives that includes personnel from the Sheriff's Office, the Ocala Police Department, the United States Department of Homeland Security and the United States Drug Enforcement Administration.

The Detention Bureau operates the Marion County Jail and is responsible for the custody, supervision and care of persons detained at the facility. The Administrative Services Bureau supports the Sheriff's Office through personnel, training and other administrative functions. The Operational Support Bureau provides specialized and agency-wide support services for law enforcement and detention operations. The Budget and Finance Bureau is responsible for the preparation and administration of the Sheriff's Office budget and related financial-management functions.

Fire protection and emergency medical services within the unincorporated areas of the County are provided by Marion County Fire Rescue. Marion County Fire Rescue employs more than 800 personnel and operates 32 fire stations and three emergency medical services stations throughout its service area. Marion County Fire Rescue also provides mutual-aid assistance to surrounding jurisdictions as needed. Fire protection and emergency medical services within the City of Ocala are provided by Ocala Fire Rescue.

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AD VALOREM TAXES

Although ad valorem taxes are not pledged to the payment of the Series 2026 Bonds, the following information is presented as an indication of the County's general financial condition.

For the fiscal year ended September 30, 2025, the County levied approximately $273.3 million in property taxes and collected approximately $263.7 million, including delinquent collections, representing approximately 96.5% of the current levy.

Marion County, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections as a Percent of Current Levy
2016	$104,950,636	$100,844,671	96.1%	$953,543	$101,798,214	97.0%
2017	109,414,067	105,410,583	96.3	748,131	106,158,714	97.0
2018	117,801,974	113,496,674	96.3	769,702	114,266,376	97.0
2019	128,381,171	123,727,197	96.4	585,462	124,312,659	96.8
2020	150,509,299	144,960,218	96.3	534,204	145,494,422	96.7
2021	162,150,322	156,004,275	96.2	774,280	156,778,555	96.7
2022	176,972,917	170,589,813	96.4	768,126	171,357,939	96.8
2023	203,887,038	196,262,383	96.3	790,360	197,052,743	96.6
2024	239,173,000	230,133,582	96.2	597,051	230,730,633	96.5
2025	273,251,205	262,726,000	96.1	1,013,138	263,739,138	96.5

Source: Annual Comprehensive Financial Report of Marion County, Florida for the Fiscal Year Ended September 30, 2025.

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Marion County, Florida
Principal Property Taxpayers
As of September 30, 2025

Taxpayer	Taxable Valuation[1]	Percentage of Total Taxable Valuation
Duke Energy	$307,159,724	0.90%
Sumter Electric Coop, Inc.	193,925,824	0.57
Marion Community Hospital	183,239,551	0.54
Equestrian Operations LLC	167,931,539	0.49
Sabal Trail Transmission LLC	128,262,844	0.38
FedEx Ground Package	116,668,458	0.34
On Top of the World	116,161,924	0.34
Cardinal LG Company	109,620,056	0.32
TL IP Ocala Industrial Owner	92,360,907	0.27
Wal-Mart	89,544,627	0.26
Sub-Total	1,504,875,454	4.43%
All others	32,491,729,198	95.57
Total	$33,996,604,652	100.00%

(1) The fiscal year ended September 30, 2025 tax levy is based on the 2024 taxable value.

Source: Annual Comprehensive Financial Report of Marion County, Florida for the Fiscal Year Ended September 30, 2025.

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OUTSTANDING DEBT

The following tables present the County's outstanding debt by type and its net general bonded debt for the ten fiscal years ended September 30, 2025.

Marion County, Florida
Ratios of Outstanding Debt by Type
as of September 30, 2025

Fiscal Year	General Obligation Bonds	Half Cent Sales Tax Revenue Bonds	Special Assessment Bonds	Notes from Direct Borrowings	Leases Payable	Utility System Revenue Bonds	Notes from Direct Borrowings	Leases Payable	Subscriptions Payable	Subscriptions Payable	Total Primary Government	Marion County Personal Income	Percentage of Personal Income	Per Capita
2016	$1,450,000	$45,906,700	$8,354,821	$1,057,928	-	$61,545,943	$25,068,723	-	-	-	$143,384,115	$12,031,457,880	1.2%	$409
2017	740,000	43,317,800	8,841,093	8,416,611	-	59,747,213	23,524,761	-	-	-	144,587,478	12,725,378,509	1.1	405
2018	-	40,573,900	6,602,677	7,637,228	-	56,313,484	21,942,261	-	-	-	133,069,550	13,361,406,129	1.0	367
2019	-	37,740,000	5,976,555	7,027,578	-	52,804,755	20,320,206	-	-	-	123,869,094	14,197,611,540	0.9	335
2020	-	34,760,000	4,474,207	688,956	-	49,211,026	18,657,545	-	-	-	107,791,734	15,436,563,264	0.7	286
2021	-	31,675,000	5,195,537	1,696,192	-	55,635,000	18,970,376	-	-	-	113,172,105	17,332,245,756	0.7	294
2022	-	28,490,000	4,325,295	1,228,248	$2,870,769	52,100,000	27,343,090	$26,075	-	-	116,383,477	17,648,792,215	0.7	294
2023	-	25,220,000	3,153,594	885,340	2,590,739	47,635,000	27,425,565	15,144	$604,894	$5,372,224	112,902,500	18,657,573,676	0.6	279
2024	-	21,870,000	5,173,135	534,280	11,608,796	43,085,000	24,893,300	24,667	459,380	3,511,098	111,159,656	20,061,387,710	0.6	265
2025	-	18,440,000	6,664,136	1,436,027	11,749,980	39,190,000	22,315,311	20,315	281,801	1,633,741	101,731,311	21,368,131,000	0.5	235

Source: Marion County, Florida Annual Comprehensive Financial Report Fiscal Year Ended September 30, 2025.

Ratios of Net General Bonded Debt Outstanding
Marion County

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net General Bond Debt	Percentage of Actual Property Value	Per Capita
2016	$1,450,000	$267,091	$1,182,909	0.005%	$34
2017	740,000	253,959	486,041	0.002	14
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	-	-	-	-	-
2025	-	-	-	-	-

Source: Marion County, Florida Annual Comprehensive Financial Report Fiscal Year Ended September 30, 2025.

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FLORIDA CONSTITUTIONAL LIMITATIONS AND PROPERTY TAX REFORM

Exempt Entities/Exempt Purposes. The State Constitution provides that all property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes (exempt purposes) may be exempted by general law from taxation. State law provides that all property owned by an exempt entity, including educational institutions, and used exclusively for exempt purposes shall be totally exempt from ad valorem taxation and all property owned by an exempt entity, including educational institutions, and used predominantly for exempt purposes (at least 50%) shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

Household Goods and Personal Effects. The State Constitution provides that there shall be exempt from taxation, cumulatively, to every head of a family residing in the State, household goods and personal effects to the value fixed by general law, not less than one thousand dollars and to every widow or widower or person who is blind or totally and permanently disabled, property not less than five hundred dollars. State law exempts from taxation to every person residing and making his or her permanent home in the State, all household goods and personal effects and exempt property up to the value of $5,000 of every widow, widower, blind person, or totally and permanently disabled person who is a resident of the State.

Economic Development. The State Constitution provides that any county or municipality may, for the purpose of its respective tax levy and subject to the State Constitution and general law, grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law. Such an exemption may be granted only by ordinance of the county or municipality, and only after the electors of the county or municipality voting on such question in a referendum authorize the county or municipality to adopt such ordinance. An exemption so granted shall apply to improvements to real property made by or for the use of a new business and improvements to real property related to the expansion of an existing business and shall also apply to tangible personal property of such new business and tangible personal property related to the expansion of an existing business. The amount or limits of the amount of such exemption shall be specified by general law (up to 100% in certain circumstances) and the period of time for which such exemption may be granted to a new business or expansion of an existing business shall be determined by general law. State law provides that the authority to grant such exemption shall expire ten years from the date of approval by the electors of the county or municipality, and may be renewable by referendum as provided by general law and that exemptions may be granted for up to 10 or 20 years depending on the use of the applicable facility. The County has not enacted a general ordinance granting the exemption described in this paragraph, the County would review on a case by case basis to determine whether to grant such exemption.

Historic Preservation. The State Constitution provides that any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of the State Constitution and general law, grant historic preservation ad valorem tax exemptions to owners of historic properties. This exemption may be granted only by ordinance of the county or municipality. The amount or limits of the amount of this exemption and the requirements for eligible properties must be specified by general law. State law provides that such exemption may be for an amount up to 50% of the assessed value of the property. The period of time for which this exemption may be granted may continue until the ordinance is repealed or the property no longer qualifies for the exemption. The County has not enacted an ordinance granting the exemption described in this paragraph.

Tangible Personal Property and Solar Devices. The State Constitution provides that by general law and subject to conditions specified therein, $25,000 of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation. Effective January 1, 2018, through December 31, 2037, the assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations provided by general law.

Property Dedicated In Perpetuity for Conservation. The State Constitution provides that there shall be granted an ad valorem tax exemption for certain real property dedicated in perpetuity for conservation purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

Homestead Exemption. The State Constitution also provides for a homestead exemption. Every person who has the legal title or beneficial title in equity to real property in the State and who resides thereon and in good faith makes the same his or her permanent residence or the permanent residence of others legally or naturally dependent upon such person is eligible to receive a homestead exemption of up to $50,000. The first $25,000 applies to all property taxes, including school district taxes. The additional exemption, up to $25,000, applicable to the assessed value of the property greater than $50,000, applies to all levies other than school district levies, such amount shall be adjusted annually on January 1 of each year for inflation. A person who is receiving or claiming the benefit of an ad valorem tax exemption or a tax credit in another state where permanent residency, or residency of another legally or naturally dependent upon the owner, is required as a basis for the granting of that ad valorem tax exemption or tax credit is not entitled to the homestead exemption. In addition to the general homestead exemption described in this paragraph, the following homestead exemptions are authorized by State law.

Certain Persons 65 or Older. A board of county commissioners or the governing authority of any municipality may adopt an ordinance to allow an additional homestead exemption of (i) not exceeding $50,000 for persons who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner and has attained age 65 or older with household income that does not exceed the statutory income limitation of $20,000 (as increased by the percentage increase in the average cost of living index each year since 2001) or (ii) the assessed value of the property to a person who has the legal or equitable title to real estate with a just value less than $250,000, as determined the first tax year that the owner applies and is approved, for any person 65 or older who has maintained the residence as his or her permanent residence for not less than 25 years and whose household income does not exceed the statutory income. The County has enacted an ordinance granting the exemption described in this paragraph.

In addition, veterans 65 or older who are partially or totally permanently disabled may receive a discount from tax on homestead property if the disability was combat related and the veteran was honorably discharged upon separation from military service. The discount is a percentage equal to the percentage of the veteran's permanent, service-connected disability as determined by the United States Department of Veteran's Affairs. A Surviving Spouse of a veteran who died from service while on active duty as a member of the United Stated Armed Forces is allowed the same ad valorem tax discount on homestead property for combat-disabled veterans age 65 or older to transfer to the surviving spouse of a veteran receiving the discount if the surviving spouse holds the legal or beneficial title to the homestead, permanently resides thereon, and does not remarry.

Deployed Military Personnel. The State Constitution provides that by general law and subject to certain conditions specified therein, each person who receives a homestead exemption; who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property. The applicable percentage shall be calculated as the number of days during the preceding calendar year the person was deployed on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature divided by the number of days in that year.

Certain Active-Duty Military and Veterans. A military veteran who was honorably discharged, is a resident of the State, and who is disabled to a degree of 10% or more because of misfortune or while serving during wartime may be entitled to a $5,000 reduction in the assessed value of his or her property. This exemption is not limited to homestead property. A military veteran who was honorably discharged with a service-related total and permanent disability may be eligible for a total exemption from taxes on homestead property. A similar exemption is available to disabled veterans confined to wheelchairs. Under certain circumstances, the veteran's surviving spouse may be entitled to carry over these exemptions.

Certain Totally and Permanently Disabled Persons. Real estate used and owned as a homestead by a quadriplegic, less any portion used for commercial purposes, is exempt from all ad valorem taxation. Real estate used and owned as a homestead by a paraplegic, hemiplegic, or other totally and permanently disabled person, who must use a wheelchair for mobility or who is legally blind, is exempt from taxation if the gross household income is below statutory limits.

Survivors of First Responders. Any real estate that is owned and used as a homestead by the surviving spouse of a first responder (law enforcement officer, correctional officer, firefighter, emergency medical technician or paramedic), who died in the line of duty may be granted a total exemption on homestead property if the first responder and his or her surviving spouse were permanent residents of the State on January 1 of the year in which the first responder died.

Save Our Homes Portability Affected by Storm Damage (SOH). Owners of homestead property that was significantly damaged or destroyed as a result of a named tropical storm or hurricane can elect to have the property deemed abandoned if the owner establishes a new homestead by January 1 of the second year immediately following the storm or hurricane. This will allow the owner of the homestead property to keep their SOH benefit if they move from the significantly damaged or destroyed property to establish a new homestead by the end of the year following the storm.

Property Tax Relief for Natural Disasters. In light of the certain natural disasters, the state legislature created a property tax relief credit for homestead parcels. Section 197.319 Florida Statutes provides for property tax relief for homestead parcels on which residential improvements are damaged or destroyed by a catastrophic event, including hurricanes. If a residential improvement is rendered uninhabitable for at least 30 days, the property owner may be eligible for a partial refund of ad valorem taxes for the applicable tax year.

Affordable Housing. The State has several statutes providing for property tax exemptions related to affordable and workforce housing including, but not limited to, Sections 196.1978, 196.19781, and 196.19782, Florida Statutes. In accordance with Section 196.1978(3)(o), the County has not enacted an ordinance to opt-out of providing the property tax exemption for multifamily projects that are used to house natural persons or families whose annual household income is greater than 80% but not more than

120% of the median annual adjusted gross income for households within the metropolitan statistical area or, if not within a metropolitan statistical area, within the county in which the person or family resides.

Other Exemptions. Other exemptions include, but are not limited to, nonprofit homes for the aged (subject to income limits for residents), proprietary continuing care facilities, not for profit sewer water/wastewater systems, certain hospital facilities and nursing homes for special services, charter schools, certain historic property used for commercial purposes and certain tangible personal property.

Recent Legislation and Constitutional Amendments Relating to Ad Valorem Taxation. During the 2021 State legislative session, State Senate Bill 7061 was passed by the Senate and the House and signed into law by the Governor. This law exempts fully from ad valorem taxation certain affordable housing properties that previously received a 50% discount from ad valorem taxes, along with certain other insignificant or indeterminate modifications to State law regarding ad valorem taxes.

During the 2022 State legislative session, State House Bill 7071 was passed by the Senate and the House and signed into law by the Governor. This law contains provisions for tax relief and changes to tax policy including, but not limited to, the following: providing property tax relief for residential property rendered uninhabitable for 30 days or more due to a catastrophic event; providing property tax relief for property owners affected by the sudden and unforeseen collapse of a residential building; increasing the widows, widowers, blind, or totally and permanently disabled property tax exemption from $500 to $5,000; providing an alternative assessment methodology for land used in the production of aquaculture products; clarifying the extent of the homestead exemption on classified lands; updating the qualifying operations for the deployed service member property tax exemption; and providing alternative dates from which to calculate the 15-year required term of an affordable housing agreement for establishing qualification for a property tax exemption. This law took effect on July 1, 2022. Further, State House Bill 777 was passed by the Senate and the House, which would require a local government seeking voter approval to levy certain optional local taxes to be held at a general election. The bill applies to the following local option taxes: tourist development taxes; tourist impact taxes; ad valorem taxes levied by a children's services independent special district; county, municipal and school district voted millage increase and local option fuel taxes and took effect on October 1, 2022.

During the 2023 State legislative session, State House Bill 7063 was passed by the Senate and the House and signed into law by the Governor. This law makes property tax exemptions for veterans, first responders, and surviving spouses more accessible by eliminating certain requirements related to residency and property ownership, and revises the definition of "first responder" to include federal law enforcement officers and their surviving spouses. Additionally, this law creates a property tax exemption for certain leased property used for educational purposes. State House Bill 7063 also provides that property that is used as a parsonage, burial grounds, or tomb and is owned by an exempt organization which owns a house of public worship is exempt for a religious purpose.

During the November 2024 general election, voters approved State House Joint Resolution 7017, Amendment 5, authorizing an amendment to Article VII, Section 6(a) of the State Constitution regarding the existing $25,000 homestead property tax exemption on property with an assessed valuation greater than $50,000 that is applicable to all ad valorem taxes except school district taxes. The amendment requires the homestead exemption to be adjusted annually for positive inflation growth. The State legislature passed and the Governor approved State House Bill 7019 during the 2024 legislative session which amended Section 196.031, Florida Statutes, to implement the annual positive inflation adjustment. The inflation adjustment began January 1, 2025. State House Bill 7019 also created Section 218.136, Florida Statutes, requiring the State legislature to appropriate funds to offset reductions in ad valorem revenue in fiscally constrained counties as a result of the annual positive inflation adjustment. The bill provides emergency rulemaking authority to the Department of Revenue to administer the provisions of the act.

During the 2025 State legislative session, the State legislature passed Committee Substitute for House Joint Resolution 1215 ("CS/HJR 1215") which would create a property tax exemption for certain agricultural tangible personal property from ad valorem taxation. CS/HJR 1215 is not subject to the Governor's veto power but is subject to approval by 60 percent of voters during the 2026 general election, if passed the bill will take effect on January 1, 2027. The State legislature also passed House Bill 7031 which includes new or expanded exemptions for affordable housing which will apply to the 2026 tax rolls.

Future Potential Legislation and/or Constitutional Amendments Relating to Ad Valorem Taxation. Historically, various legislative proposals and constitutional amendments relating to ad valorem taxation have been introduced by the State legislature. Many of these proposals have provided for the elimination or phase-out of non-school ad-valorem taxes, new or increased exemptions from ad valorem taxation, limiting increases in the assessed valuation of certain types of property or have otherwise restricted the ability of local governments in the State to levy ad valorem taxes at then current levels. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would have a material adverse effect on the collection of ad valorem taxes by the County, the County's finances in general or the County's ad valorem taxing power.

To address property reform with a goal of placing a property tax amendment on the upcoming November ballot, the Governor called a special legislative session that started on Monday, June 1, 2026. Senate Joint Resolution 2-F was filed on May 28, 2026, as amended, and proposed amendments to the State Constitution to, among other things, revise the limitation on annual assessment increases from 10% to 5% for non-homestead real property, increase the homestead exemption for non-school ad valorem taxes to the first $150,000 of assessed value of homestead properties in 2027 and to the first $250,000 of assessed value of homestead properties in 2028, with a mandate for the Florida Legislature to create a schedule for full elimination of ad valorem taxes, and impose other limitations on the use of ad valorem taxes levied by counties and municipalities. House Joint Resolution 1F, as amended, an identical bill to Senate Joint Resolution 2-F, was subsequently passed by the Florida House and Florida Senate, placing such amendments on the November 2026 ballot. Such measures, if approved, could reduce the ad valorem tax base or affect the taxing authority of local governments. The constitutional amendments would require approval by at least 60% of voters at the November 2026 statewide referendum before becoming effective and there can be no assurance that such statewide referendum will pass. If approved, the amendments would go into effect on January 1, 2027, which would have a material impact on the County's future budgets starting with the Fiscal Year ending September 30, 2028 Fiscal Year. The cumulative effect of current or future changes to ad valorem taxation could have a material adverse impact on local government finances, including increasing the amount of non-ad valorem revenues required to fund certain essential governmental services and other County operations.

Florida Retirement System

The information relating to the Florida Retirement System ("FRS") contained herein has been obtained from the FRS Annual Reports available at www.dms.myflorida.com and the Florida Annual Comprehensive Financial Reports available at http://www.myfloridacfo.com/aadir/statewide_financial_reporting. No representation is made by the County as to the accuracy or adequacy of such information or that there has not been any material adverse change in such information subsequent to the date of such information.

Plan Description, Membership and Plan Benefits, and Contribution Requirements

Plan Description

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

The FRS and HIS are administered by the Florida Department of Management Services, Division of Retirement. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code. The Florida Legislature has the authority to establish and amend retirement legislation and related bills of significance to members of the FRS and HIS plans (including benefit terms and contribution rates). Passed bills are presented to the Governor of Florida and approved before they may be enacted into law.

The FRS and HIS financial information are included in the Florida Retirement System (System) Pension Plan and Other State-Administered Systems' Annual Comprehensive Financial Report (ACFR). Reporting of the FRS and HIS are on the accrual basis of accounting. Employer contributions are recognized when due in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. The fiduciary net positions of the FRS and HIS were determined on the same basis used by the pension plans. The State Board of Administration invests the assets of the pension plans held in the FRS Trust. Investments are reported at fair value which are obtained from independent pricing service providers using quoted market prices.

The System ACFR, including audited financial information to support the Schedules of Employer Allocations and Schedules of Pension Amounts by Employer, are available online at:
http://www.dms.myflorida.com/workforce_operations/retirement/publications.

The System ACFR and actuarial reports may also be obtained by contacting the Division of Retirement by mail or phone at: Department of Management Services, Division of Retirement, Bureau of Research and Member Contributions, P.O. Box 9000, Tallahassee, FL 32315-9000 or 850-488-5706.

Membership and Plan Benefits – FRS

The FRS has several classes of membership applicable to the County, including regular class, special risk, elected officers, senior management, and DROP. The FRS Pension Plan provides for the vesting of benefits after six years of creditable service or after eight years of creditable service for members first enrolled after July 1, 2011. Members are eligible for normal retirement when they have met the minimum requirements listed below. Early retirement may be taken any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement age. Members are also eligible for in-line-of-duty or regular disability benefits if permanently disabled and unable to work. Benefits are computed on the basis of age, average final compensation, creditable years of service, and accrual value by membership class.

A DROP was established effective July 1, 1998, subject to provisions of Section 121.091, Florida Statutes. It permits employees eligible for normal retirement under the FRS to defer receipt of monthly benefit payment while continuing employment with a Florida Retirement System employer. An employee may participate in the DROP for a period not to exceed 96 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the Florida Retirement System Trust Fund and accrue interest.

Normal Retirement Requirements

Regular Class, Senior Management Service Class, and Elected Officers' Class	Six years of service and age 62, or the age after 62 the member becomes vested, or 30 years of service, regardless of age, whichever comes first. Eight years of service for members first enrolled after July 1, 2011 and age 65 the member becomes vested, or the age after 65 the member becomes vested, or 33 years of service regardless of the age before 65.
Special Risk Class	Six years of special risk service and age 55; or twenty-five total years special risk service, regardless of age; or twenty-five years of service at age 52 that may include up to 4 years of wartime military service credit under section 121.021 Florida Statutes.
Special Risk Administrative Support Class	Special risk requirements apply to service in this class if member has six years (eight years for members first enrolled after July 1, 2011) actual special risk service; otherwise regular member requirements apply.

Membership and Plan Benefits – HIS

HIS membership is available to all members within the FRS and INV plans. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $7.50. The minimum payment is $45, and the maximum payment is $225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Contribution Requirements

The contribution rates for FRS and HIS members are established, and may be amended, by the State of Florida. Employer contributions rates are actuarially recommended but set by the Legislature. These rates are a percentage of covered payroll. The FRS and HIS contribution rates were as follows:

	10/1/24-6/30/25	7/1/25-9/30/25
Regular Class – Members not qualifying for other classes.	13.63%	14.03%
Special Risk Class – Members employed as law enforcement officers, firefighters, or correctional officers meet the criteria to qualify for this class.	32.79	35.19
Senior Management	34.52	33.24
Special Risk Administrative Support	39.82	39.48
Elected County Officers	58.68	54.57
Deferred Retirement Option Program (DROP)	21.13	22.02

Employer rates include 2.00% from 10/1/24-9/30/25 for the HIS program. In addition, other than for the DROP, rates include .06% from 10/1/24-9/30/25 for administrative costs.

The County's contributions recognized during the fiscal year ended September 30, 2025 by the FRS and HIS were $43,969,980 and $4,446,414 respectively.

As of July 1, 2011, members contribute 3% of their salary as retirement contributions. Members participating in DROP are not required to make 3% contributions.

FRS and HIS Rate of Return, Discount Rate Sensitivity and Significant Actuarial Assumptions

Long-Term Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2025 the FRS Actuarial Assumption Conference reviewed assumptions by Milliman's Capital Markets Assumption team. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return
Cash	1.0%	3.2%
Fixed Income	29.0	5.5
Global Equity	45.0	8.5
Real Estate (Property)	12.0	8.4
Private Equity	11.0	12.4
Strategic Investments	2.0	6.5
	100.0%	

The HIS is essentially funded on a pay-as-you go basis and the depletion date is considered to be immediate. As such, there is no assumption for a long-term expected rate of return on a portfolio, no assumptions for cash flows into and out of the plan, or assumed asset allocation.

Discount Rate Sensitivity Analysis

The following tables demonstrate the sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact if the discount rate was 1.0% higher or 1.0% lower than the current discount rate at June 30, 2025.

FRS Net Pension Liability (Asset)			HIS Net Pension Liability (Asset)		
1% Decrease	Current Discount Rate	1% Increase	1% Decrease	Current Discount Rate	1% Increase
5.70%	6.70%	7.70%	4.20%	5.20%	6.20%
$431,035,607	$219,637,706	$42,404,762	$70,069,559	$62,137,078	$55,484,249

Actuarial Methods and Assumptions

Actuarial assumptions for both the FRS and HIS are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually and the HIS has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS and HIS was completed for the period July 1, 2018 through June 30, 2023.

The total pension liability for the FRS was determined by actuarial valuation as of July 1, 2025 and the HIS by actuarial valuation as of July 1, 2024 rolled forward to June 30, 2025, using the individual entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth for both plans is assumed at 3.50%. Benefits received by retirees and beneficiaries of the FRS Plan are increased by a COLA each year based on their previous year benefit amount. Retirements prior to August 2011 receive a 3% COLA adjustment, and retirees after August 2011 received a formula-structured COLA. Mortality assumptions for the FRS were based on the PUB2010 base table varied by member category and sex, projected generationally with scale MP-2021; and on the Generational PUB-2010 with projection scale MP-2021 for the HIS. Both the discount rate and long-term expected rate of return used for FRS investments is 6.70%, no change from the prior year. The FRS fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because the HIS uses a pay-as-you-go funding structure, a municipal bond rate of 5.20% was used to determine its total pension liability. In October 2024, the Actuarial Assumptions Conference adopted the Bond Buyer General Obligation 20-Bond Municipal Bond Index as the applicable municipal bond index. As of June 30, 2025, the municipal rate used by HIS increased from 3.93% to 5.20%.

Net Pension Liability, Deferred Outflows/Inflows of Resources, and Pension Expense for County Defined Benefit Pension Plans

Proportionate Share of FRS and HIS Plans

Employers participating in the FRS and HIS were provided pension allocation schedules for use in recording their proportionate share of the FRS and HIS collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pensions expense at measurement date June 30, 2025 in accordance with GASB Statements No. 68, Accounting and Financial Reporting for Pensions and No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of Statement No. 68. The underlying financial information used to prepare the pension allocation schedules was based on the same basis as mentioned previously, and on the actuarial valuations mentioned previously for the FRS and the HIS. The County's proportionate share was calculated using the retirement contributions for employees that were members of the FRS and HIS during the measurement year ended June 30, 2025. The aggregate employer contribution amounts in the pension allocation schedules agree to the total employer contribution amounts reported in the System ACFR.

At September 30, 2025, the County reported a net pension liability of $281,774,784 for its proportionate share of the collective net pension liability of the FRS and HIS. The following table presents information on the County's proportionate share of the FRS and HIS:

	FRS	HIS	County Total
Proportionate Share of Net Pension Liability at June 30, 2025	$219,637,706	$62,137,078	$281,774,784
County's proportion at June 30, 2025	0.007077	0.004848	
County's proportion at June 30, 2024	0.006794	0.004641	
Change in proportion during current year	0.000283	0.000207	

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended September 30, 2025, the County recognized pension expense of $33,637,990. Pension expense of $30,010,431 was related to the FRS Plan, and pension expense of $3,627,559 was related to the HIS Plan. At September 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS		County Total
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows / (Deferred Inflows)
Differences between expected					$23,830,536
and actual experience	$23,459,619	$-	$370,917	$(98,568)	(98,568)
Changes of assumptions	25,505,643		549,982		26,055,625
		-		(15,029,365)	(15,029,365)
Net difference between projected and actual investment earnings	-	(36,670,732)	-		-
				(51,717)	(36,722,449)
Changes in proportion	24,120,717		7,804,754		31,925,471
		(2,716,667)		(438,296)	(3,154,963)
County contributions subsequent to the measurement date	12,949,375	-	1,243,709	-	14,193,084
Total Deferred Outflows	$86,035,354		$9,969,362		$96,004,716
Total Deferred (Inflows)		$(39,387,399)		$(15,617,946)	$(55,005,345)

Deferred outflows of resources of $14,193,084 are reported by the County for employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Reporting Year Ending June 30,	FRS	HIS	County Total Deferred Outflows / (Deferred Inflows)
2026	$41,669,531	$(953,733)	$40,715,798
2027	871,319	(1,958,040)	(1,086,721)
2028	(3,692,161)	(1,641,155)	(5,333,316)
2029	(5,150,109)	(1,330,214)	(6,480,323)
2030	-	(1,009,151)	(1,009,151)
Totals	$33,698,580	$(6,892,293)	$26,806,287

Defined Contribution Retirement Plan

The County contributes to the Florida Retirement System Investment Plan (INV), the integrated defined contribution investment plan described above. The INV is administered by the Florida Department of Management Services, Division of Retirement. Benefit terms, including contribution requirements, for the INV are established and may be amended by the Florida Legislature. For each employee in the INV, the County must contribute at the blended uniform rate structure as previously disclosed for the FRS Plan. Employees are required to contribute 3% of salary. For the year ended September 30, 2025, the County recognized pension expense of $4,874,096.

The detail of pension expense by each County Officer for the defined contribution investment plan is as follows:

County Officer	Pension Expense
Board of County Commissioners	$2,473,738
Clerk of the Circuit Court and Comptroller	247,344
Property Appraiser	23,865
Sheriff	1,991,784
Supervisor of Elections	9,939
Tax Collector	127,426
Total	$4,874,096

Employer contributions and earnings on those contributions are vested according to the same schedule as disclosed for the FRS Plan. Nonvested County contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the INV's administrative expenses. For the fiscal year ended September 30, 2025, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

In 2018, the County implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions for accounting and financial reporting for its Other Postemployment Benefits Plan (OPEB Plan).

Plan Description, Benefit Terms and Contribution Requirements

The OPEB Plan is a single-employer benefit plan administered by the County. Retirees are charged whatever the insurance company charges for the type of coverage elected. However, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees usually have higher costs, which means that the County is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of that premium on behalf of the active employees. In addition to this implicit rate subsidy, the Marion County Sheriff's Office provides retirees with a direct subsidy of $7.50 per month per each credited year of service with the Sheriff's Office. This amount is limited to $225 per month and in no event will it exceed total cost of health insurance net of the Florida Retirement System's (FRS) health insurance subsidy. This subsidy is only available until the retiree becomes Medicare eligible. The health insurance subsidy is provided under the FRS and is not considered part of GASB No. 75.

Retirees and their dependents are permitted to remain covered under the County's respective medical and insurance plans as long as they pay a full premium applicable to coverage elected, subject to direct subsidies discussed above. This conforms to the minimum required of Florida governmental employers per Ch. 112.08, F.S. Benefits that exceed this minimum are established and may be amended through action from the Board of County Commissioners (the "Board"). The OPEB Plan does not issue a stand-alone report and is not included in the report of any other entity. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

At September 30, 2024 (measurement date), the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	301
Active employees	2,661
Total	2,962

Contributions (benefit payment reductions) to the OPEB Plan are shared by the retiree and the County. OPEB Plan participants must reimburse the County for the County's average blended cost. Contributions requirements of the County are established and may be amended through action by the Board.

Total OPEB Liability and Changes in Total OPEB Liability

The measurement date for the County's total OPEB liability was September 30, 2024, one year prior to the County's fiscal reporting date of September 30, 2025. The measurement period for OPEB cost was October 1, 2023 to September 30, 2024. The components of the County's total OPEB liability reported at September 30, 2025 are as follows:

Total OPEB liability	$26,107,492
OPEB Plan fiduciary net position	-
County's net OPEB liability	$26,107,492
OPEB Plan fiduciary net position as percentage of total OPEB liability	0.0%

The components of the changes in the total OPEB liability are as follows:

Total OPEB Liability	Fiscal Year 2025
Service Cost	$1,117,442
Interest	1,088,454
Difference between Expected and Actual Experience	-
Change in Assumptions	2,124,790
Benefit Payments	(1,228,944)
Other Changes	-
Net Change in Total OPEB Liability	3,101,742
Total OPEB Liability - beginning	23,005,750
Total OPEB Liability - ending	$26,107,492

Changes of assumptions and other inputs reflect a change in the discount rate from 4.63% at the beginning of the measurement period to 3.81% as of September 30, 2024.

Actuarial Assumptions and OPEB Liability Sensitivity to Healthcare Trend Rate

The total OPEB liability reported at September 30, 2025 was based on an actuarial valuation dated September 30, 2023, using the following actuarial assumptions:

Inflation	2.50% per annum
Discount rate	3.81%
Salary increases	Rates used in the July 1, 2023 actuarial valuation of the FRS; 3.4 - 8.2%
Mortality rates	Mortality tables used in the July 1, 2023 actuarial valuation of the FRS. Taken from adjusted Pub-2010 mortality tables using scale MP-2018.
Healthcare trend	Based on the Getzen model, with trend starting at 6.25% and gradually decreasing to ultimate trend rate of 4.00%

The development of per capita costs included aging factors based on the 2013 Society of Actuaries Study "Healthcare Costs – From Birth to Death." There have been no significant changes (other than premium rate increases) in any health benefits or life insurance benefits between September 30, 2024 and September 30, 2025.

Sensitivity of OPEB liability to healthcare trend rate

The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1% lower or 1% higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$22,472,927	$26,107,492	$30,813,066

Discount Rate and OPEB Liability Sensitivity to Discount Rate

The discount rate used to measure the total OPEB liability reported as of September 30, 2025 was 3.81%. Because the County's OPEB costs are essentially funded on a pay-as-you-go funding structure, a municipal bond rate was used to determine the total OPEB liability for the OPEB Plan. Fidelity's 20-Year Municipal G.O. AA Index daily rate closest but not after the measurement date was used for this purpose.

Sensitivity of OPEB liability to discount rate

The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$29,027,421	$26,107,492	$23,546,475

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB

For the year ended September 30, 2025, the County recognized OPEB expense of $1,680,522. At September 30, 2025, the County had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	$804,049	$1,288,120
Changes in assumptions and other inputs	3,768,889	5,268,404
Benefit payments subsequent to measurement date	1,305,885	0
	$5,878,823	$6,556,524

Deferred outflows of resources of $1,305,885 are reported by the County for employer benefit payments subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability in the year ended September 30, 2026. Deferred inflows of resources shown above will be recognized in OPEB expense in the following years:

Fiscal Year Ending	Fiscal Year 2025
Sept 30, 2026	$(525,374)
Sept 30, 2027	(525,374)
Sept 30, 2028	(494,355)
Sept 30, 2029	(396,735)
Sept 30, 2030	(337,791)
Thereafter	296,043
	$(1,983,586)

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APPENDIX B

FORM OF THE RESOLUTION

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MARION COUNTY, FLORIDA

INFRASTRUCTURE SALES SURTAX REVENUE BOND RESOLUTION

ADOPTED SEPTEMBER 15, 2026

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RESOLUTION NO. 26-R-325

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MARION COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF NOT EXCEEDING $70,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF MARION COUNTY, FLORIDA INFRASTRUCTURE SALES SURTAX REVENUE BONDS, SERIES 2026, TO FINANCE COSTS OF CERTAIN TRANSPORTATION RELATED CAPITAL IMPROVEMENTS; PLEDGING PROCEEDS OF THE LOCAL GOVERNMENT INFRASTRUCTURE SALES SURTAX RECEIVED BY THE COUNTY AND CERTAIN OTHER FUNDS TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED HEREUNDER; PROVIDING CERTAIN TERMS AND DETAILS OF SAID BONDS, INCLUDING AUTHORIZING A NEGOTIATED SALE OF SAID BONDS AND THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT WITH RESPECT THERETO UPON COMPLIANCE WITH CERTAIN PARAMETERS; APPOINTING THE PAYING AGENT AND REGISTRAR FOR SAID BONDS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT TO SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE FOR SUCH BONDS; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, all capitalized terms used herein shall have the definitions ascribed thereto in Article I hereof unless otherwise defined herein or the context requires otherwise.

WHEREAS, pursuant to the Act, the Issuer is authorized to pledge the Infrastructure Sales Surtax Revenues to pay the principal of, premium, if any, and interest on Bonds issued to finance or refinance capital improvements that may be lawfully financed with Infrastructure Sales Surtax Revenues under the Act.

WHEREAS, the Issuer has various capital improvement needs and requirements in the form of the 2026 Project.

WHEREAS, the most efficient and cost-effective method of acquiring, constructing and equipping the 2026 Project is by the issuance of the Series 2026 Bonds secured by the Pledged Funds.

WHEREAS, the Pledged Funds currently are not pledged or encumbered in any manner.

WHEREAS, the estimated Pledged Funds will be sufficient to pay the principal of, premium, if any, and interest on the Series 2026 Bonds, as the same become due, and all other payments provided for in this Resolution.

WHEREAS, due to the potential volatility of the market for tax-exempt obligations such as the Series 2026 Bonds, it is in the best interest of the Issuer to sell the Series 2026 Bonds by a delegated, negotiated sale, allowing the Issuer to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the Issuer to obtain the best possible price and interest rate for the Series 2026 Bonds.

WHEREAS, it is necessary and appropriate that the Board determine certain parameters for the terms and details of the Series 2026 Bonds and delegate certain authority for the sale of the Series 2026 Bonds in accordance with the provisions hereof.

WHEREAS, the Issuer anticipates receiving a favorable offer to purchase the Series 2026 Bonds from the Underwriters, all within the parameters set forth herein.

WHEREAS, the principal of and interest on the Bonds issued pursuant to this Resolution, and all other payments provided for in this Resolution will be paid solely from the Pledged Funds in the manner and to the extent provided herein, and the ad valorem taxing power of the Issuer will never be necessary or authorized to pay the principal of and interest on the Bonds to be issued pursuant to this Resolution and, except as otherwise provided herein, the Bonds shall not constitute a lien upon any property within or of the Issuer.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MARION COUNTY, FLORIDA:

ARTICLE I
GENERAL

SECTION 1.01. DEFINITIONS. When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

"2026 Project" shall mean the S.W. 38th/40th Street and N.W. 49th Street (Phase 3) road projects, as more particularly described in the plans and specifications on file or to be on file with the Issuer, as the same may be modified or amended from time to time.

"Accreted Value" shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Date next preceding the date of computation, or the date of computation if an Interest Date, such interest to accrue at a rate not exceeding the legal rate, compounded semi-annually, plus, with respect to matters related to the payment upon redemption or acceleration of the Capital Appreciation Bonds, if such date of computation shall not be an Interest Date, a portion of the difference between the Accreted Value as of the immediately preceding Interest Date and the Accreted Value as of the immediately succeeding Interest Date, calculated based on the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a 360-day year.

"Act" shall mean the Florida Constitution, Chapter 125, Florida Statutes, Section 212.055, Florida Statutes, and other applicable provisions of law.

"Additional Bonds" shall mean the obligations (including, but not limited to, bond anticipation notes or other similar short-term indebtedness) issued at any time under the provisions of Section 5.02 hereof on a parity with any then Outstanding Bonds.

"Amortization Installment" shall mean an amount designated as such by, or provided for pursuant to, this Resolution or Supplemental Resolution of the Issuer and established with respect to the Term Bonds.

"Annual Debt Service" shall mean, at any time, the aggregate amount in the then current Fiscal Year of (1) interest required to be paid on the Outstanding Bonds during such Fiscal Year, except to the extent that such interest is to be paid from deposits in the Interest Account or Construction Fund from Bond proceeds for such purpose, (2) principal of Outstanding Serial Bonds maturing in such Fiscal Year, and (3) the Amortization Installments with respect to such Fiscal Year. For purposes of this definition, (A) all amounts payable on a Capital Appreciation Bond shall be considered a principal payment due in the year of its maturity or date of redemption by Amortization Installment, (B) if any Series of Bonds has 25% or more of the aggregate principal amount of such Series coming due in any one year, Annual Debt Service shall be determined on such Series during such period of time as if the principal of and interest on such Series were being paid from the date of issuance thereof in substantially equal annual amounts over a period of 25 years, (C) with respect to debt service on any Bonds which the Issuer has determined are subject to a Qualified Hedge Agreement, interest on such Bonds during the term of such Qualified Hedge Agreement shall be deemed to be the Hedge Payments coming due during such period of time, (D) the amount on deposit in the Reserve Account (or any subaccount thereof) on any date of calculation of Annual Debt Service shall be deducted from the amount of principal due at the final maturity of the Bonds which are secured by such Reserve Account (or subaccount thereof) and in each preceding year until such amount is exhausted, and (E) with respect to Annual Debt Service on any Federal Subsidy Bonds,

when determining the interest on such Bonds for any particular Interest Date the amount of the corresponding Federal Subsidy Payment shall be deducted from the amount of interest which is due and payable to the holders of such Bonds on the Interest Date, but only to the extent that the Issuer reasonably believes that it will be in receipt of such Federal Subsidy Payment on or prior to such Interest Date. Notwithstanding the foregoing, any interest payments or principal payments or Amortization Installments with respect to any Outstanding Bonds or proposed Additional Bonds that are due and payable on October 1, shall be considered to be due and payable on the immediately preceding September 30 for purposes of determining Annual Debt Service for such Bonds hereunder.

"Authorized Investments" shall mean any investments that may be made by the Issuer under applicable law and which are allowed under the Issuer's investment policy.

"Authorized Issuer Officers" shall mean the Chairman or the Vice-Chairman of the Board, or a designee of the Chairman or Vice-Chairman, and when used in reference to any act or document also means any other person authorized by resolution of the Issuer to perform such act or sign such document.

"Board" shall mean the Board of County Commissioners of the Issuer.

"Bond Amortization Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Bond Counsel" shall mean Nabors, Giblin & Nickerson, P.A. or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bond Insurance Policy" shall mean a municipal bond insurance policy or financial guaranty insurance policy issued by an Insurer insuring the payment, when due, of the principal of and interest on a Series of Bonds or portion thereof as provided therein.

"Bondholder" or "Holder" or "holder of Bonds" or any similar term, when used with reference to a Bond or Bonds, shall mean any Person who shall be the registered owner of any Outstanding Bond or Bonds as provided in the registration books of the Issuer.

"Bonds" shall mean the Series 2026 Bonds, together with any Additional Bonds, issued pursuant to this Resolution and any Subordinated Indebtedness which accedes to the status of Bonds pursuant to Section 5.04 hereof.

"Capital Appreciation Bonds" shall mean those Bonds, if any, so designated by Supplemental Resolution of the Issuer, which may be either Serial Bonds or Term Bonds and which shall bear interest payable at maturity or redemption. In the case of Capital

Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or prior to redemption of such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

"Chairman" shall mean the Chairman of the Board of County Commissioners of the Issuer, and such other person as may be duly authorized to act on his or her behalf.

"Clerk" shall mean the Clerk of the Circuit Court and Ex-officio Clerk of the Board of County Commissioners of the Issuer, and such other person as may be duly authorized to act on his or her behalf.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations and rules promulgated thereunder.

"Construction Fund" shall mean the Marion County, Florida Infrastructure Sales Surtax Revenue Bonds Construction Fund established pursuant to Section 4.03 hereof.

"Cost" when used in connection with a Project and permitted by the Act, shall mean: (1) the Issuer's cost of physical construction; (2) costs of acquisition by or for the Issuer of such Project or any portion thereof; (3) any costs of land and interests therein and the costs of the Issuer incidental to such acquisition (including, without limitation, title insurance and related costs and costs associated with the examination, survey and any remediation required with respect to such land); (4) the cost of any indemnity and surety bonds and premiums for insurance during construction; (5) all interest due to be paid on the Bonds and other obligations relating to the Project during the period of construction of the Project and a reasonable period subsequent to completion of construction as the Issuer shall determine and Bond Counsel approves; (6) engineering, architectural, legal, financial advisory and other consultant fees and expenses; (7) costs and expenses of the financing incurred for the Project, including fees and expenses of any Paying Agent, Registrar, Credit Facility Provider or depository; (8) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any interim or temporary indebtedness of the Issuer incurred for the Project; (9) costs of machinery, equipment, technology, supplies, spare parts, furniture and any other items required by the Issuer for the commencement of operation of the Project; and (10) any other costs properly attributable to such construction or acquisition or to the issuance of the Bonds which finance the Project, as determined by generally accepted accounting principles applicable to the Project, and shall include reimbursement to the Issuer for any such items of Cost paid by the Issuer prior to the issuance of the Bonds or other obligations issued to finance the Project. Any Supplemental Resolution may provide for additional items to be included in the aforesaid Costs.

"Counterparty" shall mean the entity entering into a Hedge Agreement with the Issuer. Counterparty would also include any guarantor of such entity's obligations under such Hedge Agreement.

"County Administrator" shall mean the County Administrator of Marion County, Florida and such other person as may be duly authorized to act on his or her behalf.

"Credit Facility" shall mean as to any particular Series of Bonds, a Bond Insurance Policy, a letter of credit, a line of credit or another credit or liquidity enhancement facility, as approved herein or in the Supplemental Resolution providing for the issuance of such Series of Bonds.

"Credit Facility Provider" shall mean the Insurer, a bank or other financial institution issuing a Credit Facility for a particular Series of Bonds.

"Debt Service Fund" shall mean the Marion County, Florida Infrastructure Sales Surtax Revenue Bonds Debt Service Fund established pursuant to Section 4.04 hereof.

"Federal Securities" shall mean non-callable direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of Treasury) or non-callable obligations the principal of and interest on which are unconditionally guaranteed by the United States of America. All such obligations shall not permit redemption prior to maturity at the option of the obligor.

"Federal Subsidy Bonds" shall mean Bonds issued under Section 54AA of the Code, Section 1400U-2 of the Code or any other similar provision of the Code, the interest on which is not exempt from federal income taxation, with respect to which the Issuer elects to receive, or is otherwise entitled to receive, Federal Subsidy Payments from the United States Department of Treasury.

"Federal Subsidy Payments" shall mean the direct payments made by the United States Department of Treasury to the Issuer with respect to any Federal Subsidy Bonds pursuant to Sections 54AA(g), 6431 and 1400U-2 of the Code, or any other similar provision of the Code.

"Fiscal Year" shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

"Fitch" shall mean Fitch Ratings, Inc. and any assigns or successors thereto.

"Hedge Agreement" shall mean an agreement in writing between the Issuer and the Counterparty pursuant to which (1) the Issuer agrees to pay to the Counterparty an amount, either at one time or periodically, which may, but is not required to, be determined by reference to the amount of interest (which may be at a fixed or variable rate) payable on a notional amount specified in such agreement in the period specified in such agreement, and (2) the Counterparty agrees to pay to the Issuer an amount, either at one time or periodically, which may, but is not required to, be determined by reference to the amount of interest (which may be at a fixed or variable rate) payable on all or a portion of a notional amount specified in such agreement during the period specified in such agreement.

"Hedge Payments" shall mean any amounts payable by the Issuer as interest on the related notional amount under a Qualified Hedge Agreement; excluding, however, any payments due as a penalty or a fee or by virtue of termination of a Qualified Hedge Agreement or any obligation of the Issuer to provide collateral.

"Hedge Receipts" shall mean any amounts receivable by the Issuer on the related notional amount under a Qualified Hedge Agreement.

"Infrastructure Sales Surtax Revenues" shall mean the proceeds received by the Issuer from the levy of the one-cent local government infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes, as amended, together with any other amounts distributed to the Issuer from the Discretionary Sales Surtax Clearing Trust Fund referred to in Section 212.054(4), Florida Statutes, as applicable, and other applicable provisions of law.

"Insurer" shall mean, with respect to a particular Series of Bonds, such Person as shall have issued a Bond Insurance Policy insuring such Series of Bonds or portion thereof, and its successors and assigns.

"Interest Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Interest Date" or "interest payment date" shall be such date or dates for the payment of interest on the Bonds as provided pursuant to Sections 2.01 or 2.02 hereof.

"Issuer" or **"County"** shall mean Marion County, Florida.

"Maximum Annual Debt Service" shall mean the largest aggregate amount of the Annual Debt Service becoming due in any Fiscal Year in which Bonds are Outstanding, excluding all Fiscal Years which shall have ended prior to the Fiscal Year in which the Maximum Annual Debt Service shall at any time be computed.

"Maximum Interest Rate" shall mean, with respect to any particular Variable Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Resolution of the Issuer delineating the details of such Bonds, that shall be the maximum rate of interest such Bonds may at any particular time bear in the future in accordance with the terms of such Supplemental Resolution.

"Moody's" shall mean Moody's Investors Service, Inc., and any assigns or successors thereto.

"Municipal Advisor" shall mean PFM Financial Advisors LLC, or any successors or assigns.

"Outstanding" when used with reference to the Bonds and as of any particular date, shall describe all of the Bonds theretofore and thereupon being authenticated and delivered except, (1) any Bond in lieu of which another Bond or Bonds have been issued to replace lost, mutilated or destroyed Bonds, (2) any Bond surrendered by the Holder thereof in exchange for another Bond or Bonds under Sections 2.07 and 2.08 hereof, (3) Bonds deemed to have been paid pursuant to Section 8.01 hereof, and (4) Bonds cancelled after purchase in the open market or because of payment at maturity or upon redemption.

"Paying Agent" shall mean for each Series of Bonds, the paying agent appointed by the Issuer for such Series of Bonds and its successors and assigns, if any. With respect to the Series 2026 Bonds, "Paying Agent" shall mean Western Alliance Trust Company, N.A., Phoenix, Arizona and its successors and assigns.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Funds" shall mean (1) the Infrastructure Sales Surtax Revenues, and (2) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder, except (A) for the Unrestricted Revenue Account and the Rebate Fund, and (B) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions hereof.

"Policy Costs" shall mean all amounts owed by the Issuer to an issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit, including but not limited to, repayments of draws made with respect thereto, interest and expenses.

"Prefunded Obligations" shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (1) which are (A) not callable at the option of the obligor prior to maturity, or (B) as to which irrevocable instructions have been given to the fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (2) which are fully secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or Refunding Securities, secured in the manner set forth in Section 8.01 hereof, which fund may be applied only to the payment of such principal of, redemption premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as the case may be, (3) as to which the principal of and interest on the Refunding Securities, which have been deposited in such fund along with any cash on deposit in such fund, are sufficient, as verified by an independent certified public accountant, to pay principal of, redemption premium, if any, and interest on the bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (1) above, and (4) which are rated in the highest rating category of Standard & Poor's, Fitch or Moody's.

"Principal Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Project" shall mean the 2026 Project and the acquisition, construction and equipping of such additional capital improvements, properties and facilities and other activities or items that are subsequently approved by the Issuer and which may be lawfully financed with Infrastructure Sales Surtax Revenues pursuant to the Act.

"Purchase Agreement" shall mean the Bond Purchase Agreement for the Series 2026 Bonds which shall be in substantially the form attached hereto and made a part hereof as EXHIBIT A.

"Qualified Hedge Agreement" shall mean a Hedge Agreement with a Counterparty which at the time it enters into such Qualified Hedge Agreement is rated "A-" or better by Standard & Poor's and "A3" or better by Moody's.

"Rating Agencies" shall mean Moody's, Standard & Poor's or Fitch or any other rating agency registered as a Nationally Recognized Statistical Rating Organization (NRSRO) by the U.S. Securities and Exchange Commission.

"Rebate Fund" shall mean the Marion County, Florida Infrastructure Sales Surtax Revenue Bonds Rebate Fund established pursuant to Section 4.04 hereof.

"Redemption Price" shall mean, with respect to any Bond or portion thereof, the principal amount or portion thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

"Refunding Securities" shall mean Federal Securities and Prerefunded Obligations.

"Registrar" shall mean for each Series of Bonds, any registrar appointed by the Issuer for such Series of Bonds and its successors and assigns, if any. With respect to the Series 2026 Bonds, "Registrar" shall mean Western Alliance Trust Company, N.A., Phoenix, Arizona and its successors and assigns.

"Reserve Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Reserve Account Insurance Policy" shall mean an insurance policy or surety bond deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(4) hereof.

"Reserve Account Letter of Credit" shall mean an unconditional irrevocable letter of credit or line of credit (other than a Reserve Account Insurance Policy) deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(4) hereof.

"Reserve Account Requirement" shall mean, as of any date of calculation for the Reserve Account or subaccount therein, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds secured thereby, (2) 125% of the average Annual Debt Service for all Outstanding Bonds secured thereby, or (3) the maximum amount of Bond proceeds which may be deposited to the Reserve Account without subjecting the same to yield restriction under the Code, or causing interest on any of the Bonds secured thereby (other than Taxable Bonds) to be included in gross income for purposes of federal income taxation or otherwise violating applicable provisions of the Code; provided, however, the Issuer may establish hereby or by Supplemental Resolution a lesser Reserve Account Requirement with respect to any particular Series of Bonds pursuant to Section 4.05(A)(4) hereof, which Reserve Account Requirement may be $0.00. For the purpose of determining the Reserve Account Requirement on any Variable Rate Bonds, the interest rate on the Variable Rate Bonds shall be assumed to be the rate calculated in accordance with Section 5.02(B) hereof. The Reserve Account Requirement shall be calculated as of September 30 of each year with respect to the next succeeding Fiscal Year.

"Resolution" shall mean this Infrastructure Sales Surtax Revenue Bond Resolution, as the same may from time to time be amended, modified or supplemented by Supplemental Resolution.

"Restricted Revenue Account" shall mean the separate account in the Revenue Fund established pursuant to Section 4.04 hereof.

"Revenue Fund" shall mean the Marion County, Florida Infrastructure Sales Surtax Revenue Bonds Revenue Fund established pursuant to Section 4.04 hereof.

"Serial Bonds" shall mean all of the Bonds other than Term Bonds.

"Series" shall mean all the Bonds delivered on original issuance in a simultaneous transaction and identified pursuant to Sections 2.01 and 2.02 hereof or a Supplemental Resolution authorizing the issuance by the Issuer as a separate Series, regardless of variations in maturity, interest rate, amortization installments or other provisions.

"Series 2026 Bonds" shall mean the Marion County, Florida Infrastructure Sales Surtax Revenue Bonds, Series 2026, authorized and issued pursuant to Section 2.02 of this Resolution.

"Standard & Poor's" or **"S&P"** shall mean S&P Global Ratings, a division of S&P Global Inc., and any assigns and successors thereto.

"State" shall mean the State of Florida.

"Subordinated Indebtedness" shall mean that indebtedness of the Issuer, subordinate and junior to the Bonds, issued in accordance with the provisions of Section 5.01 hereof.

"Supplemental Resolution" shall mean any ordinance or resolution of the Issuer amending or supplementing this Resolution adopted and becoming effective in accordance with the terms of Sections 7.01, 7.02 and 7.03 hereof.

"Taxable Bonds" shall mean any Bonds which state, in the body thereof, that the interest income thereon is includable in the gross income of the Holder thereof for federal income taxation purposes or that such interest is subject to federal income taxation.

"Term Bonds" shall mean Bonds which shall be designated as or authorized to be Term Bonds by this Resolution or Supplemental Resolution of the Issuer and which are subject to mandatory redemption by Amortization Installment.

"Unrestricted Revenue Account" shall mean the separate account in the Revenue Fund established pursuant to Section 4.04 hereof.

"Underwriters" shall mean J.P. Morgan Securities LLC, BofA Securities, Inc., Raymond James & Associates, Inc. and Wells Fargo Bank, National Association.

"Variable Rate Bonds" shall mean Bonds issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof at the date of issue.

"Vice-Chairman" shall mean the Vice-Chairman of the Board of County Commissioners of the Issuer, and such other person as may be duly authorized to act on his or her behalf.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.02. AUTHORITY FOR RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of any or all of the Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the Issuer with the Holders of the Bonds and the Credit Facility Provider(s) and shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Bonds and the Credit Facility Provider(s). The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Holders of any and all of said Bonds and for the benefit, protection and security of the Credit Facility Provider(s). All of the Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

SECTION 1.04. AUTHORIZATION OF THE 2026 PROJECT; REIMBURSEMENT. (A) The Issuer hereby authorizes the acquisition, construction and equipping of the 2026 Project.

(B) The Issuer may reimburse itself from proceeds of the Series 2026 Bonds for any funds the Issuer has expended or expends for the 2026 Project to the extent Bond Counsel approves the reimbursement. Such expenditures have been made and/or are expected to be made from the Issuer's Surtax Capital Projects Fund, the Transportation Maintenance Fund, and the Transportation Impact Fee Fund. The expenditures to be reimbursed shall be consistent with the Issuer's budgetary and financial policy as being the type of expenditures which shall be paid on a long-term basis. It is the intent that this Resolution meets the requirements of Treasury Regulations Section 1.150-2 and to be a declaration of official intent under such Section.

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ARTICLE II
AUTHORIZATION, TERMS, SALE, EXECUTION AND REGISTRATION OF BONDS

SECTION 2.01. AUTHORIZATION OF BONDS. This Resolution creates an issue of Bonds of the Issuer to be designated as "Marion County, Florida Infrastructure Sales Surtax Revenue Bonds" which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed and delivered under this Resolution is not limited except as is or may hereafter be provided in this Resolution or a Supplemental Resolution or as limited by the Act or by applicable law.

The Bonds may, if and when authorized by the Issuer pursuant to this Resolution or Supplemental Resolution, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Issuer may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates; all as determined hereby or by Supplemental Resolution.

The Bonds shall be issued in such denominations and such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; and the proceeds shall be used in such manner; all as determined hereby or by Supplemental Resolution of the Issuer in accordance with the provisions of the Act. The Issuer may issue Bonds which may be secured by a Credit Facility all as shall be determined hereby or by Supplemental Resolution of the Issuer.

SECTION 2.02. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2026 BONDS; DELEGATED SALE OF THE SERIES 2026 BONDS. (A) In accordance with the Act and the terms of this Resolution, there is hereby created an issue of Bonds of the Issuer to be designated as "Marion County, Florida Infrastructure Sales Surtax Revenue Bonds, Series 2026" (or such other designation as the County Administrator may determine), to be issued in the aggregate principal amount of not exceeding $70,000,000, for the purposes of financing and/or reimbursing the Costs of the acquisition, construction and equipping of the 2026 Project, and paying costs of issuance of the Series 2026 Bonds. The aggregate principal amount of Series 2026 Bonds to be issued pursuant to the Resolution shall be determined by the County Administrator upon the advice of the Municipal Advisor provided such aggregate principal amount does not exceed $70,000,000.

The Series 2026 Bonds shall be dated their date of delivery (or such other date as shall be determined by the County Administrator), shall be issued in the form of fully registered Bonds in denominations of $5,000 or any integral multiple thereof, shall be numbered consecutively from one upward in order of maturity preceded by the letter "R", shall bear interest from their dated date, payable semi-annually, on April 1 and October 1 of each year (the "Interest Dates"), commencing on April 1, 2027 (or such other date as shall be determined by the County Administrator). The Series 2026 Bonds shall bear interest computed on the basis of a 360-day year consisting of twelve 30-day months.

The Series 2026 Bonds shall bear interest at such rates and prices or yields, shall mature on October 1 of each of the years and in the principal amounts corresponding to such years, and shall have such redemption provisions as determined by the County Administrator subject to the conditions set forth in this Section 2.02. Interest on the Series 2026 Bonds shall be payable by check or draft of the Paying Agent made payable and mailed to the Holder in whose name such Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) next preceding the applicable Interest Date, or, at the request of such Holder, by bank wire transfer to the account of such Holder. Except as otherwise provided in Section 2.09 hereof, principal of the Bonds is payable to the Holder, at the designated corporate trust office of the Paying Agent. The principal of, redemption premium, if any, and interest on the Bonds are payable in lawful money of the United States of America. All payments of principal and interest on the Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(B) All of the terms of the Series 2026 Bonds will be included in a Purchase Agreement, which shall be in substantially the form attached hereto and made a part hereof as EXHIBIT A. Prior to execution of the Purchase Agreement, the Issuer shall be in receipt of a written offer to purchase the Series 2026 Bonds by the Underwriters substantially in the form of the Purchase Agreement, said offer to provide for, among other things, (1) not exceeding $70,000,000 initial aggregate principal amount of Series 2026 Bonds, (2) an underwriting discount (including management fee and all expenses) not in excess of 0.40% of the initial par amount of the Series 2026 Bonds, (3) a true interest cost of not more than 5.00% per annum, (4) the maturities of the Series 2026 Bonds, with the final maturity being not later than October 1, 2044, and (5) receipt of a disclosure statement and a truth-in-bonding statement of the Underwriters complying with Section 218.385, Florida Statutes.

(C) The Series 2026 Bonds may be redeemed prior to their respective maturities from any moneys legally available therefor, upon notice as provided in Section 3.03 hereof, upon the terms and provisions as determined by the County Administrator, in his discretion and upon the advice of the Municipal Advisor; provided, however, with respect to optional redemption terms for the Series 2026 Bonds, if any, the first optional redemption date may be no later than October 1, 2036 and there shall be no call premium relating to any optional redemption. Notwithstanding the foregoing, the County Administrator, upon the advice of the Municipal Advisor, may determine to issue the Series 2026 Bonds without any optional redemption provisions.

(D) The Reserve Account Requirement for the Series 2026 Bonds shall be $0.00.

SECTION 2.03. APPLICATION OF BOND PROCEEDS. (A) The net proceeds derived from the sale of the Series 2026 Bonds, including premium, if any, shall be applied by the Issuer as follows:

(1) A sufficient amount of the proceeds of the Series 2026 Bonds shall be applied to pay costs of issuance of the Series 2026 Bonds.

(2) The balance of the Series 2026 Bond proceeds shall be deposited to the 2026 Project Account of the Construction Fund established pursuant to Section 4.03 hereof to pay Costs of the 2026 Project.

(B) The proceeds of any Series of Additional Bonds shall be applied by the Issuer in accordance with the provisions of the Supplemental Resolution authorizing such Series of Bonds.

SECTION 2.04. EXECUTION OF BONDS. The Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of the Chairman or Vice-Chairman and the Clerk and the official seal of the Issuer shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the Clerk and authenticated by such Clerk. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond shall hold the proper office of the Issuer, although at the date of such Bond such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Bonds shall be actually sold and delivered.

SECTION 2.05. AUTHENTICATION. No Bond shall be secured hereunder or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Bond a certificate of authentication by the Registrar or such other entity as may be approved by the Issuer for such purpose. Such certificate on any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The form of such certificate shall be substantially in the form provided in Section 2.10 hereof.

SECTION 2.06. TEMPORARY BONDS. Until the definitive Bonds are prepared, the Issuer may execute, in the same manner as is provided in Section 2.04 hereof, and deliver, upon authentication by the Registrar pursuant to Section 2.05 hereof, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations authorized by the Issuer by subsequent ordinance or resolution, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer, at its own expense, shall prepare and execute definitive Bonds, which shall be authenticated by the Registrar. Upon the surrender of such temporary Bonds for exchange, the Registrar, without charge to the Holder thereof, shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Resolution. All temporary Bonds surrendered in exchange for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Registrar.

SECTION 2.07. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. All Bonds so surrendered or otherwise substituted shall be cancelled by the Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same or cause the Bond to be paid, upon being indemnified as aforesaid, and if such Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 2.07 shall constitute original contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Bond be at any time found by anyone, and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as all other Bonds issued hereunder.

SECTION 2.08. INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER. Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Bonds of the same maturity of any other authorized denominations.

The Bonds issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Bonds.

The transfer of any Bond shall be registered only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the registration or transfer of any such Bond, the Issuer shall issue, and cause to be authenticated, in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Bond. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name any Outstanding Bond shall be registered upon the books of the Issuer as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent with respect to the Bonds, forthwith (A) following the fifteenth day prior to an Interest Date for the Bonds, and (B) at any other time as reasonably requested by the Paying Agent, certify and furnish to the Paying Agent the names, addresses and holdings of the Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Bond shall effect payment of interest on such Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request and at the expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Bonds or the transfer of Bonds shall be registered, the Issuer shall execute and the Registrar shall authenticate and deliver such Bonds in accordance with the provisions of this Resolution. Execution of Bonds by the Chairman or Vice-Chairman and Clerk for purposes of exchanging, replacing or registering the transfer of Bonds may occur at the time of the original delivery of the Bonds. All Bonds surrendered in any such exchanges or registration of transfer shall be held by the Registrar for safekeeping until directed by the Issuer to be cancelled by the Registrar. For every such exchange or registration of transfer, the Issuer or the Registrar may make a

charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Issuer and the Registrar shall not be obligated to make any such exchange or transfer of the Bonds during the period commencing on the fifteenth day of the month immediately preceding an Interest Date on the Bonds and ending on such Interest Date, or, in the case of any proposed redemption of Bonds of such Series, then, for the Bonds subject to redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

The Issuer may elect to issue any Bonds as uncertificated registered public obligations (not represented by instruments), commonly known as book-entry obligations, provided it shall establish a system of registration therefor by Supplemental Resolution. In accordance with Section 2.09 hereof, the Issuer elects to initially provide for a book-entry only system of registration for the Series 2026 Bonds.

SECTION 2.09. FULL BOOK-ENTRY FOR SERIES 2026 BONDS. Notwithstanding the provisions set forth in Section 2.08 hereof, the Series 2026 Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each of the maturities of the Series 2026 Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). All of the Outstanding Series 2026 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC. As long as the Series 2026 Bonds shall be registered in the name of Cede & Co., all payments of principal on the Series 2026 Bonds shall be made by the Paying Agent by check or draft or by bank wire transfer to Cede & Co., as Holder of the Series 2026 Bonds, upon presentation of the Series 2026 Bonds to be paid to the Paying Agent.

With respect to the Series 2026 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (the "Participants"). Without limiting the immediately preceding sentence, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Series 2026 Bonds, (B) the delivery to any Participant or any other Person other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2026 Bonds, including any notice of redemption, or (C) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, redemption premium, if any, or interest on the Series 2026 Bonds. The Issuer, the Registrar and the Paying Agent shall treat and consider the Person in whose name each Series 2026 Bond is registered in the registration books kept by the Registrar as the Holder and absolute owner of such Bond for the purpose of payment of principal, redemption premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, redemption premium, if any, and interest on the Series 2026 Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal, redemption premium, if any, and interest on the Series 2026 Bonds to the extent of the sum or sums so paid. No Person other than a Holder, as shown in the registration books kept by the Registrar, shall receive a certificated Bond evidencing the obligation of the Issuer to make payments of principal, redemption premium, if any, and interest pursuant to the provisions of this Resolution. Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in Section 2.08 with respect to transfers during the 15 days next preceding an Interest Date or mailing of notice of redemption, the words "Cede & Co." shall refer to such new nominee of DTC; and upon receipt of such notice, the Issuer shall promptly deliver a copy of the same to the Registrar and the Paying Agent.

Upon (A) receipt by the Issuer of written notice from DTC (1) to the effect that a continuation of the requirement that all of the Outstanding Series 2026 Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2026 Bonds, or (2) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the Issuer that such book-entry only system is burdensome or undesirable to the Issuer, the Series 2026 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Holders shall designate, in accordance with the provisions of this Resolution. In such event, the Issuer shall issue, and the Registrar shall authenticate, transfer and exchange the Series 2026 Bonds of like principal amount and maturity, in denominations of $5,000 or any integral multiple thereof to the Holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the Blanket Letter of Representations previously executed by the Issuer and delivered to DTC shall apply to the payment of principal of and interest on the Series 2026 Bonds.

SECTION 2.10. FORM OF BONDS. The text of the Bonds, except for Capital Appreciation Bonds and Variable Rate Bonds, the form of which shall be provided by Supplemental Resolution of the Issuer, shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and

approved by the Chairman or Vice-Chairman prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Bonds and the Issuer's delivery of the Bonds to the purchaser or purchasers thereof):

* * * * * BEGIN FORM OF BOND * * * * *

No. R- $

UNITED STATES OF AMERICA
STATE OF FLORIDA
MARION COUNTY, FLORIDA
INFRASTRUCTURE SALES SURTAX REVENUE BOND, SERIES ____

Interest Rate	Maturity Date	Date of Original Issue	CUSIP
%			

Registered Holder:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS, that Marion County, Florida, a political subdivision of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the Pledged Funds hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest, calculated on the basis of a 360-day year consisting of twelve 30-day months, on such Principal Amount from the Date of Original Issue identified above or from the most recent interest payment date to which interest has been paid at the Interest Rate identified above on _____________ 1 and _____________ 1 of each year commencing _______________ 1, _____ until such Principal Amount shall have been paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

Such Principal Amount and interest on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Such Principal Amount on this Bond is payable at the designated corporate trust office of _________________, ______________, ___________, as Paying Agent. Payment of each installment of interest shall be made to the person in whose name this Bond shall be registered on the registration books of the Issuer maintained by ______________, ______________, ___________, as Registrar, at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding each interest payment date and shall be paid by a check or draft of such Paying Agent mailed to such Registered Holder at the address appearing on such registration books or, at the request of such Registered Holder, by bank wire transfer for the account of such Holder.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of $__________ (the "Bonds") of like date, tenor and effect, except as to maturity date, interest rate, denomination and number, issued for the principal purpose of providing

moneys for ____, all as more particularly described in the hereinafter defined Resolution, under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 125, Florida Statutes, Section 212.055, Florida Statutes, and other applicable provisions of law (collectively, the "Act"), and Resolution No. ____ of the Issuer adopted on September 15, 2026 (as amended and supplemented from time to time, the "Resolution"), and is subject to all the terms and conditions of the Resolution. Capitalized terms used herein shall have the definitions ascribed thereto in the Resolution.

This Bond and the interest hereon are payable from and secured by a pledge of and lien upon (1) the Infrastructure Sales Surtax Revenues, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established under the Resolution, except (A) for the Unrestricted Revenue Account and the Rebate Fund, and (B) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution.

THIS BOND SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE ISSUER AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE A SPECIAL OBLIGATION OF THE ISSUER, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT SET FORTH IN THE RESOLUTION. NO HOLDER OF THIS BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH BOND, OR BE ENTITLED TO PAYMENT OF SUCH BOND FROM ANY MONEYS OF THE ISSUER EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER PROVIDED IN THE RESOLUTION.

The transfer of this Bond is registrable in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the designated corporate trust office of the Registrar by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his attorney duly authorized in writing, and thereupon a new Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, therein prescribed. For every such exchange or registration of transfer, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Bonds are issuable in the form of fully registered Bonds in the denomination of $5,000 and any integral multiple thereof, not exceeding the aggregate principal amount of the Bonds. The Issuer, the Registrar and any

Paying Agent may treat the Registered Holder of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer and the Registrar shall not be obligated to make any exchange or transfer of the Bonds during the period commencing on the 15th day of the month immediately preceding an interest payment date on the Bonds and ending on such interest payment date, or, in the case of any proposed redemption of Bonds of such Series, then, for the Bonds subject to redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

[Insert Redemption Provisions]

Redemption of this Bond under the preceding paragraphs shall be made as provided in the Resolution upon notice given by first class mail sent at least 20 days prior to the redemption date to the Registered Holder hereof at the address shown on the registration books maintained by the Registrar; provided, however, that failure to mail notice to the Registered Holder hereof, or any defect therein, shall not affect the validity of the proceedings for redemption of other Bonds as to which no such failure or defect has occurred. In the event that less than the full principal amount hereof shall have been called for redemption, the Registered Holder hereof shall surrender this Bond in exchange for one or more Bonds in an aggregate principal amount equal to the unredeemed portion of principal, as provided in the Resolution.

Reference to the Resolution and any and all resolutions supplemental thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this Bond, the nature, manner and extent of enforcement of such pledge and covenants, and the rights, duties, immunities and obligations of the Issuer.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed, in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

Neither the members of the Board of the Issuer nor any person executing this Bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the Board of County Commissioners of Marion County, Florida has issued this Bond and has caused the same to be executed by the manual or facsimile signature of its Chairman or Vice-Chairman, its official seal or a facsimile thereof to be affixed or reproduced hereon, and countersigned and attested to by the manual or facsimile signature of its Clerk, all as of the Date of the Original Issue.

MARION COUNTY, FLORIDA

(SEAL)

____
Chairman

ATTESTED AND COUNTERSIGNED:

____
Clerk of the Circuit Court and Ex-Officio
Clerk of the Board of County Commissioners

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the Issue described in the within mentioned Resolution.

Date of Authentication: __________, ____

MARION COUNTY, FLORIDA

By:______________________________
Clerk of the Circuit Court and
Ex-Officio Clerk of the
Board of County Commissioners

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

____

Insert Social Security or Other Identifying Number of Assignee

____

(Name and Address of Assignee)

____

the within Bond and does hereby irrevocably constitute and appoint ____as attorneys to register the transfer of the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated:_________________

Signature guaranteed:

_______________________________ _______________________________

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: The signature to this assignment must correspond with the name of the Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

* * * * * END FORM OF BOND * * * * *

ARTICLE III
REDEMPTION OF BONDS

SECTION 3.01. PRIVILEGE OF REDEMPTION. (A) The terms of this Article III shall apply to redemption of Bonds other than Capital Appreciation Bonds or Variable Rate Bonds. The terms and provisions relating to redemption of Capital Appreciation Bonds and Variable Rate Bonds shall be provided by Supplemental Resolution.

(B) The Series 2026 Bonds shall be subject to such optional and mandatory sinking fund redemption provisions as are determined by the County Administrator in accordance with Section 2.02(C) hereof and as set forth in the Official Statement (referred to in Section 9.02 hereof).

(C) Additional Bonds shall be subject to redemption in accordance with and as provided in the terms of the Supplemental Resolution setting forth the details of such Additional Bonds.

SECTION 3.02. SELECTION OF BONDS TO BE REDEEMED. The Bonds shall be redeemed only in the principal amount of $5,000 each and integral multiples thereof. The Issuer shall, at least thirty-five (35) days prior to the redemption date (unless a shorter time period is satisfactory to the Registrar, but in no event less than twenty-five (25) days) notify the Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not less than twenty-five (25) days prior to the redemption date by the Registrar from the Outstanding Bonds of the maturity or maturities designated by the Issuer or by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of $5,000 and integral multiples thereof. Notwithstanding the foregoing, if less than all of a Term Bond is to be redeemed the aggregate principal amount to be redeemed shall be allocated to the Amortization Installments on a pro-rata basis unless the Issuer, in its discretion, designates a different allocation.

If less than all of the Outstanding Bonds of a single maturity are to be redeemed, the Registrar shall promptly notify the Issuer and Paying Agent (if the Registrar is not the Paying Agent for such Bonds) in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

SECTION 3.03. NOTICE OF REDEMPTION. Notice of such redemption, which shall specify the Bond or Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the Issuer, and (A) shall be filed with the Paying Agent of such Bonds, and (B) shall be mailed first class,

postage prepaid, at least twenty (20) days prior to the redemption date to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice. Failure to mail notice to the Holders of the Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Bonds as to which no such failure or defect has occurred. Failure of any Holder to receive any notice mailed as herein provided shall not affect the proceedings for redemption of such Holder's Bonds.

Each notice of redemption shall state: (1) the CUSIP numbers of all Bonds being redeemed; (2) the original issue date of such Bonds; (3) the maturity date and rate of interest borne by each Bond being redeemed; (4) the redemption date; (5) the Redemption Price; (6) the date on which such notice is mailed; (7) if less than all Outstanding Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed; (8) that on such redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable; (9) that the Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price at the designated office of the Paying Agent at an address specified; (10) unless sufficient funds have been set aside by the Issuer for such purpose prior to the mailing of the notice of redemption, that such redemption is conditioned upon the deposit of sufficient funds for such purpose on or prior to the date set for redemption; and provided, further, that such notice and the redemption set forth therein may be subject to the satisfaction of one or more additional conditions set forth therein; and (11) any other conditions that must be satisfied prior to such redemption.

In addition to the mailing of the notice described above, each notice of redemption and payment of the redemption price shall meet the following requirement; provided, however, the failure to provide such further notice of redemption or to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above:

(A) Each further notice of redemption shall be sent to the Electronic Municipal Market Access of the Municipal Securities Rulemaking Board within ten (10) business days of the mailing of the redemption notice to Holders.

(B) Each further notice of redemption shall be sent to such other Person, if any, as shall be required by applicable law or regulation.

The Issuer may provide that a redemption may be contingent upon the occurrence of certain condition(s) and that if such condition(s) do not occur the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described above to all affected Bondholders as soon as practicable.

SECTION 3.04. REDEMPTION OF PORTIONS OF BONDS. Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of the same interest rate and maturity, and of any authorized denomination as requested by such Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

SECTION 3.05. PAYMENT OF REDEEMED BONDS. Notice of redemption having been given substantially as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. Each check or other transfer of funds issued by the Paying Agent to pay the Redemption Price of Bonds being redeemed shall bear the CUSIP number or numbers of such Bonds and identify the payments applicable to each CUSIP number. All Bonds which have been redeemed shall be cancelled by the Registrar and shall not be reissued.

SECTION 3.06. PURCHASE IN LIEU OF OPTIONAL REDEMPTION. Notwithstanding anything in this Resolution to the contrary, at any time the Bonds are subject to optional redemption pursuant to this Resolution, all or a portion of the Bonds to be redeemed as specified in the notice of redemption, may be purchased by the Paying Agent, as trustee, at the direction of the Issuer, on the date which would be the redemption date if such Bonds were redeemed rather than purchased in lieu thereof, at a purchase price equal to the Redemption Price which would have been applicable to such Bonds on the redemption date for the account of and at the direction of the Issuer who shall give the Paying Agent, as trustee, notice at least ten days prior to the scheduled redemption date accompanied by an opinion of Bond Counsel to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of interest on such Bonds or any other Outstanding Bonds. In the event the Paying Agent, as trustee, is so directed to purchase Bonds in lieu of optional redemption, no notice to the holders of the Bonds to be so purchased (other than the notice of redemption otherwise required under this Resolution) shall be required, and the Paying Agent, as trustee, shall be authorized to apply to such purchase the funds which would have been used to pay the Redemption Price for such Bonds if such Bonds had been redeemed rather than purchased. Each Bond so purchased shall not be canceled or discharged and shall be registered in the name of the Issuer. Bonds to be purchased under this Resolution in the manner set forth above which are not delivered to the Paying Agent, as trustee, on the purchase date shall

be deemed to have been so purchased and not optionally redeemed on the purchase date and shall cease to accrue interest as to the former holder thereof on the purchase date.

[Remainder of page intentionally left blank]

ARTICLE IV
SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

SECTION 4.01. BONDS NOT TO BE INDEBTEDNESS OF ISSUER. The Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds in the manner and to the extent set forth in this Resolution. No Holder of any Bond shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Bond or be entitled to payment of such Bond from any moneys of the Issuer except from the Pledged Funds in the manner and to the extent provided herein.

SECTION 4.02. SECURITY FOR BONDS. Except as otherwise provided herein or by Supplemental Resolution, the payment of the principal of and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds; provided, however, (A) a Series of Bonds may be further secured by a Credit Facility in addition to the security provided herein; and (B) a Series of Bonds may be secured independently of any other Series of Bonds by the establishment of a separate subaccount in the Reserve Account for such Series of Bonds. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of and interest on the Bonds in accordance with the provisions hereof. In addition, the Issuer does hereby irrevocably pledge and grant a lien upon the Pledged Funds to the payment of Policy Costs owing to an issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit in accordance with the provisions hereof; provided, however, such pledge and lien shall be junior and subordinate in all respects to the pledge and lien upon such Pledged Funds granted hereby to the Bondholders. The Pledged Funds shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer. Except as otherwise provided by Supplemental Resolution or by the terms of a Qualified Hedge Agreement, the obligation of the Issuer to make Hedge Payments to a Counterparty pursuant to such Qualified Hedge Agreement shall be on parity with the Bonds as to lien on and pledge of the Pledged Funds in accordance with the terms hereof (any other payments related to a Qualified Hedge Agreement, including fees, penalties and termination payments and the obligation of the Issuer to collateralize, shall be Subordinated Indebtedness of the Issuer).

SECTION 4.03. CONSTRUCTION FUND. The Issuer covenants and agrees to establish a special fund to be known as the "Marion County, Florida Infrastructure Sales Surtax Revenue Bonds Construction Fund," which shall be used only for payment of the Costs of Projects. Moneys in the Construction Fund, until applied to payment of any item of the Costs of a Project in the manner hereinafter provided, shall be held in trust by the

Issuer and shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

The Issuer shall establish within the Construction Fund a separate account for each Project, the Costs of which are to be paid in whole or in part out of the Construction Fund. There is hereby created for the 2026 Project an account to be known as the "2026 Project Account" of the Construction Fund.

The Issuer covenants that the acquisition, construction and equipping of each Project will be completed without delay and in accordance with sound engineering practices. The Issuer shall only make disbursements or payments from the applicable account of the Construction Fund to pay Costs of the Project for which such account was established, except as provided below with respect to any surplus proceeds in a particular account. The Issuer shall keep records of such disbursements and payments and shall retain all such records for such period of time as is required by applicable law.

Notwithstanding any of the other provisions of this Section 4.03, to the extent that other moneys are not available therefor, amounts in an account of the Construction Fund shall be applied to the payment of principal and interest on the Series of Bonds for which such account was established or to reimburse a Credit Facility Provider for the payment of such principal and interest.

The date of completion of acquisition, construction and equipping of a Project shall be filed by an Authorized Issuer Officers in the records of the Issuer. Promptly after the date of the completion of a Project, and after paying or making provisions for the payment of all unpaid items of the Costs of such Project, the Issuer shall deposit in the following order of priority any balance of moneys remaining in the Construction Fund in (A) any other account established in the Construction Fund for which the County Administrator certifies that there are insufficient moneys to pay the Costs of the Project for which such account was established, (B) the Reserve Account to the extent of any deficiency therein, (C) the Interest Account to pay interest coming due on the Bonds, and (D) such other fund or account established hereunder as shall be determined by the Issuer, provided the Issuer has received an opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exclusion, if any, of interest on the Bonds (other than Taxable Bonds) from gross income for purposes of federal income taxation.

SECTION 4.04. FUNDS AND ACCOUNTS. The Issuer covenants and agrees to establish the following funds and accounts:

(A) The "Marion County, Florida Infrastructure Sales Surtax Revenue Bonds Revenue Fund." The Issuer shall maintain two separate accounts in the Revenue Fund, the "Restricted Revenue Account" and the "Unrestricted Revenue Account."

(B) The "Marion County, Florida Infrastructure Sales Surtax Revenue Bonds Debt Service Fund." The Issuer shall maintain four separate accounts in the Debt Service Fund, the "Interest Account," the "Principal Account," the "Bond Amortization Account" and the "Reserve Account."

(C) The "Marion County, Florida Infrastructure Sales Surtax Revenue Bonds Rebate Fund."

Moneys in the aforementioned funds and accounts, other than the Rebate Fund and the Unrestricted Revenue Account, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

The Issuer may at any time and from time to time appoint one or more depositories to hold, for the benefit of the Bondholders, any one or more of the funds, accounts and subaccounts established hereby. Such depository or depositories shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depositary in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agent and employees. Any such depositary shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and be qualified under applicable State law as a depository.

SECTION 4.05. DISPOSITION OF INFRASTRUCTURE SALES SURTAX REVENUES. (A) The Issuer shall promptly deposit upon receipt from the State all of the Infrastructure Sales Surtax Revenues into the Restricted Revenue Account. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the 25th day of each month, commencing in the month immediately following delivery of any of the Bonds to the purchasers thereof, or such later date as hereinafter provided, in the following manner and in the following order of priority:

(1) Interest Account. The Issuer shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all of the Outstanding Bonds accrued and unpaid and to accrue to the end of the then current calendar month (assuming that a year consists of twelve (12) equal calendar months of thirty (30) days each). All Hedge Receipts shall be deposited directly to the Interest Account upon receipt. With respect to interest on Bonds which the Issuer has determined are subject to a Hedge Payment, interest on such Bonds during the term of the Qualified Hedge Agreement shall be deemed to include the corresponding Hedge Payments. Moneys in the Interest Account shall be applied by the Issuer (a) for deposit with the Paying Agent to pay the interest on the Bonds on or prior to the date the same shall become due, whether by maturity, redemption or otherwise, and (b) for Hedge Payments. The Issuer shall adjust the

amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date. With respect to debt service on any Bonds which are subject to a Qualified Hedge Agreement, any Hedge Payments due to the Counterparty to such Qualified Hedge Agreement relating to such Bonds shall be paid to the Counterparty to such Qualified Hedge Agreement on a parity basis with the aforesaid required payments into the Debt Service Fund. With respect to any Variable Rate Bonds, the amount to be deposited to the Interest Account shall be determined using an interest rate assumed to be the rate calculated in accordance with Section 5.02(B) hereof; provided, however, the Issuer shall adjust the amount on deposit in the Interest Account prior to each Interest Date so as to provide sufficient moneys to pay the actual interest due on such Variable Rate Bonds on such Interest Date.

(2) Principal Account. Commencing in the month which is one year prior to the first principal due date (or if the first principal due date is less than one year from the date of issuance of the Bonds, the month immediately following the issuance of the Bonds), the Issuer shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amount on the Outstanding Bonds due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve (12) equal calendar months having thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there is no such preceding payment due date from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the Issuer for deposit with the Paying Agent to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. The Issuer shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on the Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(3) Bond Amortization Account. Commencing in the month which is one year prior to any Amortization Installment due date, there shall be deposited or credited to the Bond Amortization Account an amount which, together with the balance in said Account, shall equal the Amortization Installments of all Bonds Outstanding due and unpaid and that portion of the Amortization Installment next due which would have accrued on said Bonds during the then current calendar

month if such Amortization Installment were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding Amortization Installment due date, or if there is no such preceding Amortization Installment due date, from a date one year preceding the due date of such Amortization Installment. Moneys in the Bond Amortization Account shall be used to purchase or redeem Term Bonds in the manner herein provided or as provided by Supplemental Resolution, and for no other purpose. The Issuer shall adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay the Amortization Installments on the Bonds coming due on such date. No further deposit need be made to the Bond Amortization Account when the moneys therein are equal to the Amortization Installments coming due on the Outstanding Bonds on the next succeeding Amortization Installment due date. Payments to the Bond Amortization Account shall be on a parity with payments to the Principal Account.

Amounts accumulated in the Bond Amortization Account with respect to any Amortization Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Amortization Installment was established) may be applied by the Issuer, on or prior to the sixtieth (60th) day preceding the due date of such Amortization Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Amortization Installment was established at a price not exceeding par plus accrued interest, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms at a price not exceeding par plus accrued interest. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Amortization Account until such Amortization Installment date, for the purposes of calculating the amount of such Account. As soon as practicable after the sixtieth (60th) day preceding the due date of any such Amortization Installment, the Issuer shall proceed to call for redemption on such due date, by causing notice to be given as provided in Section 3.03 hereof, Term Bonds of the Series and maturity for which such Amortization Installment was established (except in the case of Term Bonds maturing on an Amortization Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Amortization Installment. The Issuer shall pay out of the Bond Amortization Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the Issuer from the Restricted Revenue Fund.

(4) Reserve Account. There shall be deposited to the Reserve Account an amount which would enable the Issuer to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto. All deficiencies in the Reserve Account must be made up no later than twelve (12) months from the date such deficiency first occurred, whether such shortfall was caused by an increase in the applicable Reserve Account Requirement, a decrease in the aggregate market value of the investments therein of more than 5% (determined as of each September 30), or withdrawal (whether from cash or a draw on a Reserve Account Insurance Policy or Reserve Account Letter of Credit). On or prior to each principal payment date and Interest Date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), moneys in the Reserve Account shall be applied by the Issuer to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Account and the Bond Amortization Account shall be insufficient for such purpose Whenever there shall be surplus moneys in the Reserve Account by reason of a decrease in the Reserve Account Requirement or as a result of a deposit in the Reserve Account of a Reserve Account Letter of Credit or a Reserve Account Insurance Policy, such surplus moneys, to the extent practicable, shall be deposited by the Issuer into the Unrestricted Revenue Account and applied as directed by Bond Counsel. The Issuer shall promptly inform each Insurer and Credit Facility Provider of any draw upon the Reserve Account for purposes of paying the principal of or Redemption Price, if applicable, and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as herein provided, the Issuer shall fund the Reserve Account in an amount at least equal to the applicable Reserve Account Requirement to the extent such Series of Bonds are to be secured by the Reserve Account or any subaccount therein; provided, however, nothing herein shall be construed to require the Issuer to fund the Reserve Account or any subaccount for any Series of Bonds. Upon the adoption of the Supplemental Resolution authorizing the issuance of a Series of Bonds, the Issuer shall determine whether such Series of Bonds shall be secured by the Reserve Account or any subaccount therein and, if the Issuer determines that the Series of Bonds will be secured by a separate subaccount therein, the Issuer shall also establish the Reserve Account Requirement applicable thereto. Such required amount, if any, shall be paid in full or in part from the proceeds of such Series of Bonds or may be accumulated in equal monthly payments to the Reserve Account or subaccount therein over a period of months from the date of issuance of such Series of Bonds, which shall not exceed 36 months.

Notwithstanding the foregoing provisions, in lieu or substitution of the required deposits into the Reserve Account, the Issuer may cause to be deposited into the Reserve Account a Reserve Account Insurance Policy and/or Reserve

Account Letter of Credit for the benefit of the Bondholders in an amount equal to the difference between the Reserve Account Requirement applicable thereto and the sums then on deposit in the Reserve Account, if any. The Issuer may also substitute a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for cash on deposit in the Reserve Account upon compliance with the terms of this Section 4.05(A)(4). Such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any principal payment date or Interest Date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to this Resolution and available for such purpose. Upon the initial deposit of any such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit, the provider thereof shall be either (a) an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in one of the three highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as "plus" or "minus" or "1," "2" or "3"), or (b) a commercial bank, insurance company or other financial institution which has been assigned a rating in one of the two highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as "plus" or "minus" or "1," "2" or "3"). Any Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall equally secure all Bonds secured by the Reserve Account or subaccount into which such Policy or Letter of Credit is deposited.

Each Reserve Account Insurance Policy and Reserve Account Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the provider of the Reserve Account Insurance Policy or Reserve Account Letter of Credit to reimbursement will be subordinated to cash replenishment of the Reserve Account or subaccount to an amount equal to the difference between the full original amount available under the Reserve Account Insurance Policy or Reserve Account Letter of Credit and the amount then available for further draws or claims. If (a) the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit becomes insolvent, or (b) the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit defaults in its payment obligations thereunder, or (c) the rating of the provider of a Reserve Account Insurance Policy falls below a rating of "A-" or "A3" by all of the Rating Agencies then rating such provider, or (d) the rating of the provider of a Reserve Account Letter of Credit falls below a rating of "AA-" or "Aa3" by at least two of the three Rating Agencies, the obligation to reimburse the provider of the Reserve Account Insurance Policy or Reserve Account Letter of Credit shall be subordinate to the cash replenishment of the Reserve Account or subaccount. Where applicable, the amount available for draws or claims under a Reserve Account Insurance Policy or Reserve Account Letter of

Credit may be reduced by the amount of cash or investments deposited in the Reserve Account or subaccount pursuant to the provisions hereof.

If the revolving reinstatement feature described in the preceding paragraph is suspended or terminated or if the Reserve Account Insurance Policy or Reserve Account Letter of Credit is no longer valid and enforceable, the Issuer shall either (a) deposit into the Reserve Account or subaccount an amount sufficient to cause the cash or investments on deposit in the Reserve Account or applicable subaccount to equal the Reserve Account Requirement on all Outstanding Bonds then secured by such Reserve Account or subaccount, such amount to be paid over the ensuing five years in equal installments deposited at least semi-annually, or (b) replace such instrument with a Reserve Account Insurance Policy or a Reserve Account Letter of Credit meeting the requirements described herein within six months of such occurrence.

If three days prior to an Interest Date or principal payment date, or such other period of time as shall be required by the terms of the Reserve Account Insurance Policy or Reserve Account Letter of Credit, the Issuer shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest and/or principal due on the Bonds on such date, the Issuer shall immediately notify (a) the issuer of the applicable Reserve Account Insurance Policy and/or the issuer of the Reserve Account Letter of Credit and submit a demand for payment pursuant to the provisions of such Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit, (b) the Paying Agent, and (c) the Insurer or Credit Facility Provider, if any, of the amount of such deficiency and the date on which such payment is due.

The Issuer may evidence its obligation to reimburse the issuer of any Reserve Account Letter of Credit or Reserve Account Insurance Policy by executing and delivering to such issuer a promissory note or other evidence therefor; provided, however, any such note or evidence (a) shall not be a general obligation of the Issuer the payment of which is secured by the full faith and credit or taxing power of the Issuer, and (b) shall be payable solely from the Pledged Funds in the manner provided herein. The obligation to reimburse the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit for any Policy Costs shall be subordinate to the payment of Debt Service on the Bonds.

The term "Paying Agent" as used in this Section 4.05(A)(4) may include one or more Paying Agents for the Outstanding Bonds.

Whenever the amount of cash in the Reserve Account, together with the other amounts in the Debt Service Fund, are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account may be transferred to the other Accounts of the Debt Service Fund for the payment of the Bonds.

The Issuer may also establish a separate subaccount in the Reserve Account for any Series of Bonds and such subaccount shall be pledged to the payment of such Series of Bonds apart from the pledge provided herein. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Account. Moneys in a separate subaccount of the Reserve Account shall be maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount; provided the Supplemental Resolution authorizing such Series of Bonds may establish the Reserve Account Requirement relating to such separate subaccount of the Reserve Account at such level as the Issuer deems appropriate. In the event the Issuer by Supplemental Resolution establishes the Reserve Account Requirement for a particular Series of Bonds to be zero ($0.00) or it shall determine that such Series are not to be secured in any manner by the Reserve Account or a subaccount, then it shall not be required to establish a separate subaccount; provided, however, such Series of Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account. Moneys used to replenish the Reserve Account shall be deposited in the separate subaccounts in the Reserve Account and in the Reserve Account on a pro-rata basis.

In the event the Issuer shall maintain a Reserve Account Insurance Policy or Reserve Account Letter of Credit and moneys in the Reserve Account or any subaccount, the moneys shall be used prior to making any disbursements under such Reserve Account Insurance Policy or Reserve Account Letter of Credit. The provisions of any reserve account insurance policy agreements, when executed and delivered, shall be incorporated herein by reference. The provisions of such Agreements shall supersede the provisions hereof to the extent of any conflict herewith.

(5) Unrestricted Revenue Account. The balance of any moneys after the deposits required by Sections 4.05(A)(1) through (A)(4) hereof may be transferred, at the discretion of the Issuer, to the Unrestricted Revenue Account or any other appropriate fund and account of the Issuer and may be used for any lawful purpose including, without limitation, the early redemption of Bonds. In the event moneys on deposit in the Interest Account and the Principal Account on the third day prior to an Interest Date are not sufficient to pay the principal of and interest on the Bonds coming due on such Interest Date, the Issuer shall transfer moneys from the Unrestricted Revenue Account, if any, to the appropriate Account of the Debt Service Fund to provide for such payment. Any moneys remaining in the Unrestricted Revenue Account on each Interest Date may be used for any lawful purpose.

(B) The Issuer, in its discretion, may use moneys in the Principal Account, the Bond Amortization Account and the Interest Account to purchase or redeem Outstanding Bonds coming due on the next principal payment date, provided such purchase does not adversely affect the Issuer's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased.

(C) At least one business day prior to the date established for payment of any principal of or interest on the Bonds, the Issuer shall withdraw from the appropriate Account of the Debt Service Fund sufficient moneys to pay such principal or interest and deposit such moneys with the Paying Agent. Such deposits with the Paying Agent shall be made in moneys available to make payments of the principal of and interest on the Bonds as the same becomes due.

(D) In the event the Issuer shall issue a series of Bonds secured by a Credit Facility, the Issuer may establish such separate subaccounts in the Interest Account, the Principal Account and the Bond Amortization Account to provide for payment of the principal of and interest on such Series as may be required by the Credit Facility Provider; provided one Series of Bonds shall not have preference in payment from Pledged Funds over any other Series of Bonds. The Issuer may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in this Section 4.05 as shall be necessary to pay the principal of and interest on such Bonds as the same shall become due, all as provided by the Supplemental Resolution authorizing such Bonds. In the case of Bonds secured by a Credit Facility, amounts on deposit in any subaccounts established for such Bonds may be applied as provided in the applicable Supplemental Resolution to reimburse the Credit Facility Provider for amounts drawn under such Credit Facility to pay the principal of or redemption price, if applicable, and interest on such Bonds or to pay the purchase price of any such Bonds which are tendered by the Holders thereof for payment.

(E) The Issuer agrees that at the time of issuing any Variable Rate Bonds it shall establish the Maximum Interest Rate with respect thereto and a Maximum Interest Rate with respect to amounts owed to the Credit Facility Provider which provides liquidity for such Bonds. Any Credit Facility Provider which provides a Credit Facility for liquidity purposes must be rated in one of the two highest short term rating categories assigned by each rating agency rating the Bonds secured by such Credit Facility. Any accelerated principal payments due to a Credit Facility Provider or any interest due in excess of the interest rate on the Variable Rate Bonds to a Credit Facility Provider must be subordinate to the payment of the scheduled debt service on the Bonds.

SECTION 4.06. REBATE FUND. Amounts on deposit in the Rebate Fund shall be held in trust by the Issuer and used solely to make required rebates to the United States of America (except to the extent the same may be transferred to the Issuer) and the Bondholders shall have no right to have the same applied for debt service on the Bonds. If the rebate requirements of Section 148(f) of the Code are applicable, the Issuer agrees to undertake all actions required of it in its arbitrage certificate related to the Bonds, including, but not limited to:

(A) making a determination in accordance with the Code of the amount required to be deposited in the Rebate Fund;

(B) depositing the amount determined in clause (A) above into the Rebate Fund;

(C) paying on the dates and in the manner required by the Code to the United States Treasury from the Rebate Fund and any other legally available moneys of the Issuer such amounts as shall be required by the Code to be rebated to the United States Treasury; and

(D) keeping such records of the determinations made pursuant to this Section 4.06 as shall be required by the Code, as well as evidence of the fair market value of any investments purchased with proceeds of the Bonds.

The provisions of the above described arbitrage certificate may be amended without the consent of any Holder or the Credit Facility Provider from time to time as shall be necessary, in the opinion of Bond Counsel, to comply with the provisions of the Code.

SECTION 4.07. INVESTMENTS. Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund, other than the Reserve Account, may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed for the purposes of such Fund or Account. Moneys on deposit in the Reserve Account may be invested and reinvested in Authorized Investments which mature no later than ten (10) years from the date of investment. All investments shall be valued at the market price thereof. Investments in the Reserve Account shall be valued by the Issuer on an annual basis as of September 30 of each year.

Any and all income received by the Issuer from the investment of moneys in the Construction Fund, the Interest Account, the Principal Account, the Bond Amortization Account, the Restricted Revenue Account and the Reserve Account (to the extent such income and the other amounts in the Reserve Account does not exceed the Reserve Account Requirement) shall be retained in such respective Fund or Account. Any and all income received by the Issuer from the investment of moneys in the Reserve Account (only to the extent such income and other amounts in the Reserve Account exceeds the Reserve Account Requirement) shall be deposited in the Interest Account.

Nothing contained in this Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under this Resolution from being

issued or held in book-entry form on the books of the Department of the Treasury of the United States of America.

SECTION 4.08. SEPARATE ACCOUNTS. The moneys required to be accounted for in each of the foregoing funds, accounts and subaccounts established herein may be deposited in a single, non-exclusive bank account, and funds allocated to the various funds, accounts and subaccounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as herein provided.

The designation and establishment of the various funds, accounts and subaccounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

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ARTICLE V
SUBORDINATED INDEBTEDNESS, ADDITIONAL BONDS AND COVENANTS OF ISSUER

SECTION 5.01. SUBORDINATED INDEBTEDNESS. The Issuer will not issue any other obligations payable from the Pledged Funds or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon except in compliance with the provisions of Section 5.02. The Issuer may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of the Pledged Funds and which may be secured by a pledge of the Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by this Resolution and shall not be subject to acceleration prior to maturity. The Issuer shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued pursuant to Section 5.02 hereof. The Issuer agrees to pay promptly any Subordinated Indebtedness as the same shall become due.

SECTION 5.02. ISSUANCE OF ADDITIONAL BONDS. No Additional Bonds, payable on a parity with the Bonds then Outstanding pursuant to this Resolution, shall be issued except upon the conditions and in the manner herein provided.

The Issuer may issue one or more Series of Additional Bonds for any one or more of the following purposes: financing or refinancing the Costs of a Project, or the completion thereof, or refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the Issuer or of any other indebtedness of the Issuer. No such Additional Bonds shall be issued unless (1) no Event of Default (as specified in Section 6.01 hereof) shall have occurred and be continuing hereunder, and (2) the following conditions are complied with:

(A) Except as otherwise provided in Section 5.02(D) hereof, there shall have been obtained and filed with the Issuer a certification of the County Administrator: (1) stating that he or she has examined the books and records of the Issuer relating to the Infrastructure Sales Surtax Revenues which have been received by the Issuer for deposit to the Restricted Revenue Account; (2) setting forth the amount of such Infrastructure Sales Surtax Revenues during any twelve (12) consecutive months designated by the Issuer within the twenty-four (24) months immediately preceding the date of delivery of such Additional Bonds with respect to which such statement is made; and (3) stating that the amount of such Infrastructure Sales Surtax Revenues received during the aforementioned 12-month period equals at least 1.75 times the Maximum Annual Debt Service on all Bonds then Outstanding and such Additional Bonds with respect to which such statement is made. Such certification may be partially based upon a certification of certain matters related to the calculation of the Maximum Annual Debt Service by the Municipal Advisor.

(B) For the purpose of determining the Maximum Annual Debt Service under Section 5.02(A) hereof, determining the interest deposit requirement under Section 4.05(A)(1) and for determining the Reserve Account Requirement for any Variable Rate Bonds, the interest rate on any Variable Rate Bonds then proposed to be issued and on any Outstanding Variable Rate Bonds shall be deemed to be the lesser of (1) the interest rate for 20 year revenue bonds published by The Bond Buyer no more than two weeks prior to the sale of the Variable Rate Bonds or the applicable determination, or (2) the Maximum Interest Rate.

(C) Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to this Resolution. Except as provided in Sections 4.02 and 4.05 hereof, all Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other; provided, however, that the Issuer shall include a provision in any Supplemental Resolution authorizing the issuance of Variable Rate Additional Bonds pursuant to this Section 5.02 that in the event the principal thereof is accelerated due to such Bonds being held by the Credit Facility Provider, the lien of any accelerated debt due and owing such Credit Facility Provider on the Pledged Funds shall be subordinate in all respects to the pledge of the Pledged Funds created by this Resolution.

(D) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of Section 5.02(A) hereof shall not apply, provided that the issuance of such Additional Bonds shall result in a reduction of aggregate debt service. The conditions of Section 5.02(A) hereof shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

(E) In the event the Act is amended to provide for additional Infrastructure Sales Surtax Revenues to be distributed to the Issuer, the Issuer may, by Supplemental Resolution, extend the pledge of the Infrastructure Sales Surtax Revenues created pursuant to the terms of this Resolution to include such additional Infrastructure Sales Surtax Revenues and may then for the purpose of determining whether there are sufficient Infrastructure Sales Surtax Revenues to meet the coverage tests specified in Section 5.02(A), assume that such additional Infrastructure Sales Surtax Revenues were in effect during the applicable twelve (12) consecutive month period.

SECTION 5.03. BOND ANTICIPATION NOTES. The Issuer may issue notes in anticipation of the issuance of Bonds which shall have such terms and details and be secured in such manner, not inconsistent with this Resolution, as shall be provided by ordinance or resolution of the Issuer.

SECTION 5.04. ACCESSION OF SUBORDINATED INDEBTEDNESS TO PARITY STATUS WITH BONDS. The Issuer may provide for the accession of Subordinated Indebtedness to the status of complete parity with the Bonds, if (A) the Issuer shall meet all the requirements imposed upon the issuance of Additional Bonds by Section 5.02 hereof, assuming, for purposes of said requirements, that such Subordinated Indebtedness shall be Additional Bonds, and (B) the Reserve Account, upon such accession, shall contain an amount equal to the Reserve Account Requirement in accordance with Section 4.05(A)(4) hereof. If the aforementioned conditions are satisfied, the Subordinated Indebtedness shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and such Subordinated Indebtedness shall be considered Bonds for all purposes provided in this Resolution.

SECTION 5.05. BOOKS AND RECORDS. The Issuer will keep books and records of the receipt of the Infrastructure Sales Surtax Revenues in accordance with generally accepted accounting principles, and any Credit Facility Provider, or Holder or Holders of at least $1,000,000 aggregate principal amount of Bonds shall have the right at all reasonable times to inspect the records, accounts and data of the Issuer relating thereto.

SECTION 5.06. NO IMPAIRMENT. The pledging of the Pledged Funds in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution, agreement or other proceedings of the Issuer. The Issuer will not take any action or enter into any agreement that shall result in impairing or reducing the level of Infrastructure Sales Surtax Revenues received by the Issuer from that level prevailing at the time the Issuer takes such action or enters into such agreement.

SECTION 5.07. RECEIPT OF INFRASTRUCTURE SALES SURTAX REVENUES. The Issuer covenants to do all things necessary or required on its part by the Act or otherwise to entitle the Issuer to receive the Infrastructure Sales Surtax Revenues in the amounts it is entitled to receive. The Issuer shall exercise all legally available remedies to enforce such receipt now or hereafter available under law.

SECTION 5.08. FEDERAL INCOME TAX COVENANTS. (A) The Issuer covenants with the Holders of the Bonds (other than Taxable Bonds) that it shall not use the proceeds of the Bonds in any manner which would cause the interest on the Bonds to be or become includable in gross income for purposes of federal income taxation.

(B) The Issuer covenants with the Holders of the Bonds (other than Taxable Bonds) that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of the Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on the Bonds to become includable in gross income for purposes of federal income taxation.

(C) The Issuer hereby covenants with the Holders of the Bonds (other than Taxable Bonds) that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

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ARTICLE VI
DEFAULTS AND REMEDIES

SECTION 6.01. EVENTS OF DEFAULT. The following events shall each constitute an "Event of Default":

(A) Default shall be made in the payment of the principal of or interest on any Bond when due. In determining whether a payment default has occurred, no effect shall be given to payment made under a Bond Insurance Policy.

(B) There shall occur the dissolution or liquidation of the Issuer, or the filing by the Issuer of a voluntary petition in bankruptcy, or the commission by the Issuer of any act of bankruptcy, or adjudication of the Issuer as bankrupt, or assignment by the Issuer for the benefit of its creditors, or appointment of a receiver for the Issuer, or the entry by the Issuer into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Resolution on the part of the Issuer to be performed, and such default shall continue for a period of sixty (60) days after written notice of such default shall have been received from the Holders of not less than twenty-five percent (25%) of the aggregate principal amount of the Outstanding Bonds or any Credit Facility Provider. Notwithstanding the foregoing, the Issuer shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes curative action and diligently pursues such action until the default has been corrected.

SECTION 6.02. REMEDIES. Any Holder of the Bonds or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the Issuer or by any officer thereof; provided, however, that no Holder, Credit Facility Provider, trustee, receiver or other person shall have the right to declare the Bonds immediately due and payable except to the extent the acceleration of any Variable Rate Bonds secured by a Credit Facility is provided for in a Supplemental Resolution or other documentation relating to such Credit Facility, the provisions of which are approved by all other Credit Facility Providers; provided, however, any accelerated principal payments due to a Credit Facility Provider or any interest due in excess of the interest rate on the Variable Rate Bonds to a Credit Facility Provider must be subordinate to the payment of the scheduled debt service on the Bonds.

The Holder or Holders of Bonds in an aggregate principal amount of not less than twenty-five percent (25%) of the Bonds then Outstanding may by a duly executed certificate in writing appoint a trustee for Holders of Bonds issued pursuant to this Resolution with authority to represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk. Notice of such appointment, together with evidence of the requisite signatures of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding and the trust instrument under which the trustee shall have agreed to serve shall be filed with the Issuer and the trustee and notice of appointment shall promptly be given to all Holders of Bonds by first class mail, postage prepaid. After the appointment of the first trustee hereunder, no further trustees may be appointed; however, the holders of a majority in aggregate principal amount of all the Bonds then Outstanding may remove the trustee initially appointed and appoint a successor and subsequent successors at any time.

SECTION 6.03. DIRECTIONS TO RECEIVER AS TO REMEDIAL PROCEEDINGS. The Holders of a majority in principal amount of the Bonds then Outstanding (or the Credit Facility Provider for any Series of Outstanding Bonds) have the right, by an instrument or concurrent instruments in writing executed and delivered to any receiver, to direct the method and place of conducting all remedial proceedings to be taken by any receiver hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions hereof, and that the trustee shall have the right to decline to follow any such direction which in the opinion of such receiver would be unjustly prejudicial to Holders of Bonds not parties to such direction.

SECTION 6.04. REMEDIES CUMULATIVE. No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 6.05. WAIVER OF DEFAULT. No delay or omission of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Section 6.05 to the Bondholders may be exercised from time to time, and as often as may be deemed expedient. No Event of Default may be waived without the consent of each Credit Facility Provider, which has honored all its obligations under its Credit Facility.

SECTION 6.06. APPLICATION OF MONEYS AFTER DEFAULT. If an Event of Default shall happen and shall not have been remedied, the Issuer or a trustee or receiver appointed for the purpose shall apply all Pledged Funds (except as for amounts in the subaccounts of the Reserve Account which shall be applied to the payment of the Series of Bonds for which they were established) as follows and in the following order:

(A) To the payment of the reasonable and proper charges, expenses and liabilities of the trustee or receiver, Registrar and Paying Agent hereunder; and

(B) To the payment of the interest and principal then due on the Bonds (provided such payments are made in accordance with applicable law), as follows:

(1) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST: to the payment to the Persons entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference; and

SECOND: to the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due at maturity in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference.

(2) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied first, to payment of any unfunded rebatable arbitrage, and second, to the payment of the principal and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

(C) To the payment of all amounts owed to the Credit Facility Providers not covered by (A) or (B) above on a pro rata basis.

SECTION 6.07. CONTROL BY CREDIT FACILITY PROVIDER. To the extent a Credit Facility Provider makes any payment of principal of or interest on Bonds in accordance with its Credit Facility, such Credit Facility Provider shall become

subrogated to the rights of the recipients of such payments in accordance with the terms of its Credit Facility. Upon the occurrence and continuance of an Event of Default, a Credit Facility Provider of a Series of Bonds, if such Credit Facility Provider shall not be in payment default under its Credit Facility, shall be deemed to be the sole owner of such Bonds for purposes of (A) directing and controlling the enforcement of all rights and remedies with respect to such Series of Bonds, including any waiver of an Event of Default and removal of any trustee, and (B) exercising any voting right or privilege or giving any consent or direction or taking any other action that the Holders of such Bonds are entitled to take pursuant to this Article VI hereof. No provision expressly recognizing or granting rights in or to a Credit Facility Provider shall be modified without the consent of such Credit Facility Provider. A Credit Facility Provider's rights under this Section 6.07 shall be suspended during any period in which such Credit Facility Provider is in default in its payment obligations under its Credit Facility (except to the extent of amounts previously paid by such Credit Facility Provider and due and owing to such Credit Facility Provider) and shall be of no force or effect if its Credit Facility is no longer in effect or if the Credit Facility Provider asserts that its Credit Facility is not in effect or if the Credit Facility Provider waives such rights in writing. The rights granted to a Credit Facility Provider under this Section 6.07 are granted in consideration of such Credit Facility Provider issuing its Credit Facility. The Issuer shall provide each Credit Facility Provider immediate notice of any Event of Default described in Section 6.01(A) hereof and notice of any other Event of Default occurring hereunder within five days of the occurrence thereof. Each Credit Facility Provider of any Bonds hereunder shall be considered a third-party beneficiary to this Resolution with respect to such Bonds.

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ARTICLE VII
SUPPLEMENTAL RESOLUTIONS

SECTION 7.01. SUPPLEMENTAL RESOLUTION WITHOUT BONDHOLDERS' CONSENT. The Issuer, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Bondholders (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder.

(B) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.

(C) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of this Resolution other conditions, limitations and restrictions thereafter to be observed.

(D) To add to the covenants and agreements of the Issuer in this Resolution other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer.

(E) To specify and determine any matters and things relative to such Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.

(F) To specify and determine the matters and things referred to in Sections 2.01, 2.02, 2.10 or 5.02 hereof, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.

(G) To authorize Additional Bonds or Projects or to change or modify Projects.

(H) To provide for the establishment of a separate subaccount or subaccounts in the Reserve Account which shall independently secure one or more Series of Bonds issued hereunder.

(I) To make any other change that, in the opinion of the Issuer, as evidenced by a certificate of the County Administrator or the Chairman, would not materially adversely affect the security for the Bonds.

SECTION 7.02. SUPPLEMENTAL RESOLUTION WITH BONDHOLDERS' AND CREDIT FACILITY PROVIDER'S CONSENT. Subject to the terms and provisions contained in this Section 7.02 and Sections 7.01 and 7.03 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolution or Resolutions hereto as shall be deemed necessary or desirable by the Issuer for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 7.02. Any Supplemental Resolution which is adopted in accordance with the provisions of this Section 7.02 shall also require the written consent of the Credit Facility Providers. No Supplemental Resolution may be approved or adopted which shall permit or require (A) an extension of the maturity of the principal of or the payment of the interest on any Bond issued hereunder, (B) reduction in the principal amount of any Bond or the rate of interest thereon, (C) the creation of a lien upon or a pledge of the Pledged Funds other than the lien and pledge created by this Resolution or as otherwise permitted hereby, (D) a preference or priority of any Bond or Bonds over any other Bond or Bonds (except as to the establishment of separate subaccounts in the Reserve Account as permitted hereby), or (E) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders or a Credit Facility Provider of the adoption of any Supplemental Resolution as authorized in Section 7.01 hereof.

If at any time the Issuer shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to this Section 7.02, the Clerk shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books and to all Credit Facility Providers of Bonds Outstanding. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the Clerk and the Registrar for inspection by all Bondholders. The Issuer shall not, however, be subject to any liability to any Bondholder by reason of its failure to cause the notice required by this Section 7.02 to be mailed and any such failure shall not affect the validity of such Supplemental Resolution when consented to and approved as provided in this Section 7.02.

Whenever the Issuer shall deliver to the Clerk an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such Supplemental Resolution in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

The Issuer may adopt the Supplemental Resolution approving the amendments subject to the consents and approvals described in this Section 7.02.

If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such Supplemental Resolution shall have consented to and approved the adoption thereof as herein provided, no Holder of any Bond shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Issuer from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 7.02, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Issuer and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

Notwithstanding any other provision of this Section 7.02, to the extent permitted by law, at the time of issuance or remarketing of Bonds under this Resolution, a broker, dealer or municipal securities dealer, serving as underwriter or remarketing agent for such Bonds, or as agent for or in lieu of Holders of the Series Bonds, may provide consent to amendments to this Resolution pursuant to this Section 7.02.

Notwithstanding any other provision of this Section 7.02, Holders of Bonds shall be deemed to have provided consent pursuant to this Section 7.02 if the offering document for such Bonds expressly describes the amendments to this Resolution contained in the applicable Supplemental Resolution and states by virtue of the Holders' purchase of such Bonds the Holders are deemed to have notice of, and consented to, such amendments contained in the Supplemental Resolution.

SECTION 7.03. AMENDMENT WITH CONSENT OF CREDIT FACILITY PROVIDERS ONLY. For purposes of amending this Resolution pursuant to Section 7.02 hereof, a Credit Facility Provider providing a Credit Facility shall be considered the Holder of such Bonds for which it has issued such Credit Facility. The consent of the Holders of such Bonds shall not be required if the Credit Facility Provider shall consent to the amendment as provided by this Section 7.03 and such Credit Facility Provider is not in default with respect to its obligations under its Credit Facility. At least

15 days prior to adoption of any amendment made pursuant to this Section 7.03, notice of such amendment shall be delivered to the Rating Agencies then rating the Bonds. Upon filing with the Clerk of evidence of such consent the Credit Facility Providers as aforesaid, the Issuer may adopt such Supplemental Resolution or adopt the Supplemental Resolution subject to the consents provided in this Section 7.03. After the adoption by the Issuer of such Supplemental Resolution, notice thereof shall be mailed in the same manner as notices of an amendment under Section 7.02 hereof. Notwithstanding the foregoing, the consent of all affected Bondholders shall still be required with respect to any amendment set forth in Clauses (A), (B), (C), (D) or (E) in the first paragraph of Section 7.02 hereof.

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ARTICLE VIII
DEFEASANCE

SECTION 8.01. DEFEASANCE. If (A) the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of any Series of Bonds the principal and interest or Redemption Price due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, and (B) the Issuer shall pay all amounts owing to any Credit Facility Provider issuing a Credit Facility with respect to such Series of Bonds, and all covenants, agreements and other obligations of the Issuer to the holders of such Series of Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agents shall pay over or deliver to the Issuer all money or securities held by them pursuant to this Resolution which are not required for payment or redemption of any Series of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds or interest installments appertaining thereto shall be deemed to have been paid within the meaning of this Section 8.01 if there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Issuer either moneys in an amount which shall be sufficient, or Refunding Securities verified by an independent certified public accountant to be in such amount that the principal of and the interest on or Redemption Price which when due will provide moneys which, together with the moneys, if any, deposited with such banking institution or trust company at the same time shall be sufficient, to pay the principal of and interest due and to become due on said Bonds on and prior to the maturity date thereof. Except as hereafter provided, neither the Refunding Securities nor any moneys so deposited with such banking institution or trust company nor any moneys received by such bank or trust company on account of principal of or redemption price, if applicable, or interest on said Refunding Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of or Redemption Price of the Bonds for the payment of which they were deposited and the interest accruing thereon to the date of maturity; provided, however, the Issuer may substitute new Refunding Securities and moneys for the deposited Refunding Securities and moneys if the new Refunding Securities and moneys are sufficient to pay the principal of and interest on or redemption price of the refunded Bonds.

For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or specified Refunding Securities and moneys, if any, in accordance with this Section 8.01, the interest to come due on such Variable Rate Bonds on or prior to the maturity or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than the Maximum Interest Rate for any period, the total amount of moneys and specified Refunding Securities on deposit for the payment

of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to satisfy this Section 8.01, such excess shall be paid to the Issuer free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under this Resolution.

If Bonds are not to be redeemed or paid within 60 days after any such defeasance described in this Section 8.01, the Issuer shall cause the Registrar to mail a notice to the Holders of such Bonds that the deposit required by this Section 8.01 of moneys or Refunding Securities has been made and said Bonds are deemed to be paid in accordance with the provisions of this Section 8.01 and stating such maturity date upon which moneys are to be available for the payment of the principal of and interest on or redemption price of said Bonds. Failure to provide said notice shall not affect the Bonds being deemed to have been paid in accordance with the provisions of this Section 8.01.

Nothing herein shall be deemed to require the Issuer to call any of the Outstanding Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

Notwithstanding anything herein to the contrary, in the event that the principal of or interest due on the Bonds shall be paid by a Credit Facility Provider, such Bonds shall remain Outstanding, shall not be defeased or otherwise satisfied and shall not be considered paid by the Issuer, and the pledge of the Pledged Funds and all covenants, agreements and other obligations of the Issuer to the Bondholders shall continue to exist and Credit Facility Provider shall be subrogated to the rights of such Bondholders.

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ARTICLE IX
SERIES 2026 BOND PROVISIONS; MISCELLANEOUS

SECTION 9.01. PRELIMINARY OFFICIAL STATEMENT. The Issuer hereby authorizes the distribution and use of the Preliminary Official Statement in substantially the form attached hereto as EXHIBIT B (the "Preliminary Official Statement") in connection with offering the Series 2026 Bonds for sale. If between the date hereof and the mailing of the Preliminary Official Statement it is necessary to make insertions, modifications or changes in the Preliminary Official Statement, an Authorized Issuer Officer is hereby authorized to approve such insertions, changes and modifications. The Authorized Issuer Officers are hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") in the form as mailed. Execution of a certificate by an Authorized Issuer Officer deeming the Preliminary Official Statement "final" as described above shall be conclusive evidence of the approval of any insertions, changes or modifications.

SECTION 9.02. OFFICIAL STATEMENT. Subject in all respects with the satisfaction of the conditions set forth in Section 2.02 hereof, the Authorized Issuer Officers and the Clerk are hereby authorized and directed to execute and deliver a final Official Statement, dated the date of the award of the Series 2026 Bonds, which shall be in substantially the form of the Preliminary Official Statement relating to the Series 2026 Bonds, in the name and on behalf of the Issuer, and thereupon to cause such Official Statement to be delivered to the Underwriters with such changes, amendments, modifications, omissions and additions as may be approved by the Authorized Issuer Officers and the Clerk. Said Official Statement, including any such changes, amendments, modifications, omissions and additions as approved by the Authorized Issuer Officers and the Clerk, and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2026 Bonds to the public. Execution by an Authorized Issuer Officer and the Clerk of the Official Statement shall be deemed to be conclusive evidence of approval of such changes.

SECTION 9.03. PURCHASE AGREEMENT. The Series 2026 Bonds shall be sold to the Underwriters by negotiated sale pursuant to the Purchase Agreement at the purchase price set forth therein; all the terms and conditions set forth in said Purchase Agreement being hereby approved and incorporated herein by reference as if fully stated herein. Upon compliance with the foregoing, the Chairman or Vice-Chairman and the Clerk are hereby authorized and directed to execute said final Purchase Agreement substantially in the form attached hereto as EXHIBIT A, with such changes, amendments, modifications, omissions and additions as may be approved by said Chairman or Vice-Chairman and the Clerk. Said Purchase Agreement, including any such changes, amendments, modifications, omissions and additions as approved by the Chairman or Vice-Chairman and the Clerk, and the information contained therein are hereby authorized to be

used in connection with the sale of the Series 2026 Bonds to the public. Execution by the Chairman or Vice-Chairman and the Clerk of the Purchase Agreement shall be deemed to be conclusive evidence of the approval of such changes and to deliver the same to the Underwriters.

SECTION 9.04. APPOINTMENT OF PAYING AGENT AND REGISTRAR. Western Alliance Trust Company, N.A. is hereby designated Registrar and Paying Agent for the Series 2026 Bonds and its designated corporate office initially shall be Phoenix, Arizona. The Authorized Issuer Officers are hereby authorized to enter into any agreement prepared and approved by Bond Counsel which may be necessary to effect the transactions contemplated by this Section 9.04 and by this Resolution (the "Paying Agent Agreement").

SECTION 9.05. SECONDARY MARKET DISCLOSURE. Subject to the satisfaction in all respects with the conditions set forth in Section 2.02 hereof, the Issuer hereby covenants and agrees that, in order to provide for compliance by the Issuer with the secondary market disclosure requirements of the Rule, it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the Issuer and dated the dated date of the Series 2026 Bonds, as it may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Certificate shall be substantially in the form of EXHIBIT C hereto with such changes, amendments, modifications, omissions and additions as shall be approved by the Authorized Issuer Officers who are hereby authorized to execute and deliver such Certificate. Notwithstanding any other provision of this Resolution, failure of the Issuer to comply with such Continuing Disclosure Certificate shall not be considered an Event of Default under this Resolution; provided, however, to the extent permitted by law, the sole and exclusive remedy of any Series 2026 Bondholder for the enforcement of the provisions of the Continuing Disclosure Certificate shall be an action for mandamus or specific performance, as applicable, by court order, to cause the Issuer to comply with its obligations under this Section 9.05 and the Continuing Disclosure Certificate. For purposes of this Section 9.05, "Series 2026 Bondholder" shall mean any person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2026 Bonds (including persons holding such Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any such Bond for federal income tax purposes.

SECTION 9.06. CAPITAL APPRECIATION BONDS. For the purposes of (A) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity, or (B) receiving payment of a Capital Appreciation Bond if the principal of all Bonds becomes due and payable under the provisions of this Resolution, or (C) computing the amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the Issuer or any trustee or receiver appointed to represent the Bondholders any notice, consent, request or demand pursuant to this Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

SECTION 9.07. SALE OF BONDS. The Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the Act, the requirements of this Resolution and other applicable provisions of law.

SECTION 9.08. GENERAL AUTHORITY. The members of the Board of the Issuer and the officers, attorneys and other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this Resolution, the Official Statement, the Purchase Agreement, the Continuing Disclosure Certificate, the Paying Agent Agreement, or which are desirable or consistent with the requirements of this Resolution, the Official Statement, the Purchase Agreement, the Continuing Disclosure Certificate, the Paying Agent Agreement, for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Bonds, this Resolution, the Official Statement, the Purchase Agreement, the Continuing Disclosure Certificate, the Paying Agent Agreement, and each member, employee, attorney and officer of the Issuer or the Issuer are hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder.

SECTION 9.09. SEVERABILITY. If a court of competent jurisdiction finds that any section, subsection, sentence, clause, phrase, or provision of this resolution is for any reason invalid or unconstitutional, that provision will be deemed a separate, distinct, and independent provision and will not affect the validity of the remaining portions of the resolution.

SECTION 9.10. CONFLICTS. In the event of any conflict between the provisions of this resolution and any other resolution, in whole or in part, the provisions of this resolution will prevail to the extent of the conflict.

SECTION 9.11. EFFECTIVE DATE. This Resolution takes effect immediately.

PASSED AND ADOPTED, this 15th day of September, 2026.

BOARD OF COUNTY COMMISSIONERS OF MARION COUNTY, FLORIDA

(SEAL)

Carl Zalak, III, Chairman

ATTEST:

Gregory C. Harrell, Clerk of the Circuit Court and Ex-Officio Clerk of the Board of County Commissioners

APPENDIX C

FORM OF BOND COUNSEL OPINION

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FORM OF OPINION OF NABORS, GIBLIN & NICKERSON, P.A., WITH RESPECT TO THE SERIES 2026 BONDS

Upon delivery of the Series 2026 Bonds in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, proposes to render their opinion with respect to such Series 2026 Bonds in substantially the following form:

(Date of Delivery)

Board of County Commissioners
of Marion County, Florida
Ocala, Florida

Commissioners:

We have examined a record of proceedings relating to the issuance of $[PAR AMOUNT] Infrastructure Sales Surtax Revenue Bonds, Series 2026 (the "Series 2026 Bonds") of Marion County, Florida (the "Issuer").

The Series 2026 Bonds are issued under and pursuant to the Laws of the State of Florida, including particularly Chapter 125, Florida Statutes, Section 212.055, Florida Statutes, and other applicable provisions of law, and pursuant to Resolution No. 26-325 of the Board of County Commissioners of the Issuer adopted on September 15, 2026 (the "Bond Resolution").

The Series 2026 Bonds are dated and shall bear interest from their date of delivery, except as otherwise provided in the Bond Resolution. The Series 2026 Bonds will mature on the dates and in the principal amounts and will bear interest at the respective rates per annum, as provided in the Bond Resolution and the final Official Statement for the Series 2026 Bonds. Interest on the Series 2026 Bonds shall be payable on each April 1 and October 1, commencing April 1, 2027. The Series 2026 Bonds are subject to optional and mandatory redemption in accordance with the Bond Resolution and as provided in the final Official Statement.

The Series 2026 Bonds are issued for the purposes of providing moneys to (1) finance the acquisition, construction and equipping of the S.W. 38th/40th Street and N.W. 49th Street (Phase 3) road projects, and (2) pay costs associated with the issuance of the Series 2026 Bonds.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Bond Resolution and in the certified proceedings relating thereto and to the issuance of the Series 2026 Bonds and other certifications of public officials furnished to us in connection therewith without undertaking to verify the same by independent investigation. Furthermore, we have assumed continuing compliance with the covenants and agreements contained in the Bond Resolution. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in any agreements, documents, certificates, representations and opinions relating to the Series 2026 Bonds, and have relied solely on the facts, estimates and circumstances described and set forth therein. In our examination of the foregoing, we have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies.

Based on the foregoing, under existing law, we are of the opinion that:

1. The Issuer is a duly created and validly existing political subdivision of the State of Florida.

2. The Issuer has the right and power under the Constitution and Laws of the State of Florida to adopt the Bond Resolution, and the Bond Resolution has been duly and lawfully adopted by the Issuer, is in full force and effect in accordance with its terms and is valid and binding upon the Issuer and enforceable in accordance with its terms, and no other authorization for the Bond Resolution is required. The Bond Resolution creates the valid pledge of the Pledged Funds (as defined in the Bond Resolution) which it purports to create, subject to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution.

3. The Issuer is duly authorized and entitled to issue the Series 2026 Bonds and the Series 2026 Bonds have been duly and validly authorized and issued by the Issuer in accordance with the Constitution and laws of the State of Florida and the Bond Resolution. The Series 2026 Bonds constitute valid and binding obligations of the Issuer as provided in the Bond Resolution, are enforceable in accordance with their terms and the terms of the Bond Resolution and are entitled to the benefits of the Bond Resolution and the laws pursuant to which they are issued. The Series 2026 Bonds do not constitute a general indebtedness of the Issuer or the State of Florida or any agency, department or political subdivision thereof, or a pledge of the faith and credit of such entities, but are solely payable from the Pledged Funds in the manner and to the extent provided in the Bond Resolution. No holder of the Series 2026 Bonds shall ever have the right to compel the exercise of any ad valorem taxing power of the Issuer or the State of Florida or any political subdivision, agency or department thereof to pay the Series 2026 Bonds.

4. Under existing statutes, regulations, rulings and court decisions, the interest on the Series 2026 Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, interest on the Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations.

The opinions set forth in this paragraph are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that interest thereon be (or continues to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Series 2026 Bonds to be so included in gross income retroactive to the date of issuance of the Series 2026 Bonds. The Issuer has covenanted in the Bond Resolution to comply with all such requirements. Ownership of the Series 2026 Bonds may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding such federal tax consequences arising with respect to the Series 2026 Bonds.

It should be noted that except as may expressly be set forth in an opinion delivered by us to the underwriters (on which opinion only they may rely) for the Series 2026 Bonds on the date hereof, we have not been engaged or undertaken to review (1) the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Series 2026 Bonds and we express no opinion relating thereto, or (2) the compliance with any federal or state law with regard to the sale or distribution of the Series 2026 Bonds and we express no opinion relating thereto.

The opinions expressed in paragraphs 2 and 3 hereof are qualified to the extent that the enforceability of the Bond Resolution and the Series 2026 Bonds may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

The opinions set forth herein are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America. The only opinions rendered hereby shall be those expressly stated as such herein, and no opinion shall be implied or inferred as a result of anything contained herein or omitted herefrom.

This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

We have examined the form of the Series 2026 Bonds and, in our opinion, the form of the Series 2026 Bonds is regular and proper.

Respectfully submitted,

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APPENDIX D

ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE COUNTY FOR FISCAL YEAR ENDED SEPTEMBER 30, 2025

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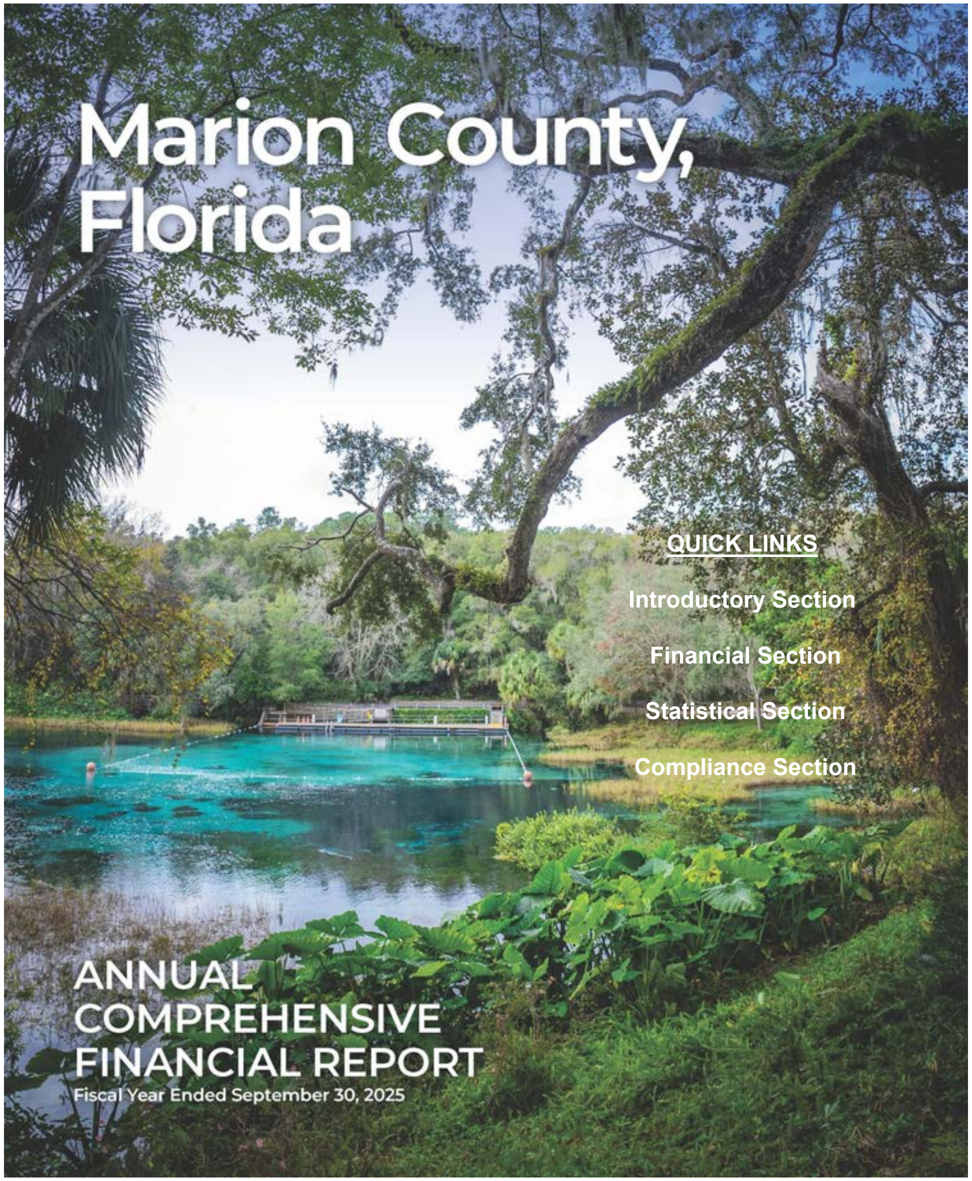

MARION COUNTY, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended
September 30, 2025

Prepared by:
Finance Department
Office of the Clerk of
Court and Comptroller

MARION COUNTY, FLORIDA
IN GOD WE TRUST

INTRODUCTORY SECTION

This section contains the following subsections:

- CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING
- COUNTY OFFICIALS
- TABLE OF CONTENTS
- LETTER OF TRANSMITTAL
- ORGANIZATION CHART

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Marion County Florida

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

MARION COUNTY, FLORIDA
COUNTY OFFICIALS

BOARD OF COUNTY COMMISSIONERS

Kathy Bryant	Chair – District 2
Carl Zalak, III	Vice-Chair – District 4
Craig Curry	Commissioner – District 1
Matthew McClain	Commissioner – District 3
Michelle Stone	Commissioner – District 5

ELECTED COUNTY OFFICERS

Gregory C. Harrell	Clerk of Court and Comptroller
Jimmy H. Cowan, Jr.	Property Appraiser
Billy Woods	Sheriff
Wesley Wilcox	Supervisor of Elections
George Albright	Tax Collector

MARION COUNTY, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2025

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GREGORY C. HARRELL
CLERK OF COURT AND COMPTROLLER – MARION COUNTY, FLORIDA

CLERK OF COURT
RECORDER OF OFFICIAL RECORDS
CLERK AND ACCOUNTANT OF THE BOARD OF COUNTY COMMISSIONERS
CUSTODIAN OF COUNTY FUNDS AND COUNTY AUDITOR

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March 13, 2026

To the Honorable Members of the
Board of County Commissioners and
Citizens of Marion County

Florida Statutes require that all general-purpose local governments 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, we hereby submit the annual comprehensive financial report of the County of Marion, Florida (County) for the fiscal year ended September 30, 2025.

The report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by an independent firm of certified public accountants, Purvis Gray. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2025, 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 upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended September 30, 2025, are fairly presented in conformity with GAAP. The report of independent auditors is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited County's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are in the compliance 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 County's MD&A can be found immediately following the report of the independent auditors.

Profile of the County of Marion, Florida

Marion County was created by the Florida Legislature on March 14, 1844 from land formerly part of Alachua, Hillsborough and Orange Counties. The County is located in North Central Florida, encompassing more than 1,652 square miles, making it one of Florida's larger Counties. The eastern quarter of the County contains the Ocala National Forest, which is one of the most visited national forests in America. The forest, along with its lakes and rivers, provide recreational opportunities for thousands of visitors each year.

Marion County is a political subdivision of the State of Florida. As such, it is governed by and derives its operating authority from the constitution and laws of the State of Florida. The County operates under a commission/administrator form of government, with a governing board consisting of five county commissioners, elected at-large to staggered four-year terms. Each commission member must meet district residency requirements. In addition to the Board of County Commissioners (BCC), there are five elected constitutional officers performing specifically designated governmental functions: The Clerk of Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The BCC exercises a varying degree of budgetary control, but not administrative control, over the activities of the constitutional officers. During fiscal year 2024-2025, the Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector each operated their respective offices as budget officers with funding provided by the BCC in the form of operating subsidies. In return, each budget officer is responsible for the collection of revenues within their jurisdictional area, and for the subsequent remittance of such collections to the BCC. The Clerk of Court and Comptroller operates as a budget officer, a fee officer, and receives State funding for the courts (Fee officers are authorized to retain revenues generated within their offices for the purpose of defraying the costs of operation). As Clerk to the BCC, the duties of the Clerk of Court and Comptroller, as set forth in the Florida Constitution, include those of county auditor, accountant and custodian of county funds.

The financial reporting entity (the County) includes all the funds of the primary government (Marion County Board of County Commissioners) as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The County provides a full range of services including jails, police and fire protection, solid waste disposal, sewer and water services, the construction and maintenance of highways, streets and infrastructure, recreational activities, planning and zoning services, and economic development programs.

Blended component units, although legally separate entities, are in substance part of the primary government operation and are included as part of the primary government. Accordingly, the Clerk of Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector are included as blended component units of the County.

The County follows the laws of the State of Florida regarding the control, adoption and amendment of the budget during each fiscal year. The BCC adopts budgets on a basis consistent with GAAP for all governmental funds. Formal budgetary integration at the object level is used as a management control device for all governmental funds of the County for which annual budgets are adopted. However, the level at which expenditures may not legally exceed appropriations is the fund level. Funds that do not have a legally adopted budget do not have a corresponding budgetary comparison schedule in the County's financial statements.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy

The Ocala Metro continues to experience strong and sustained growth in both population and economic activity. Recent U.S. Census Bureau estimates place the region at approximately 429,000 residents, reflecting its position among the fastest-growing metro areas in the country. This momentum is further reinforced by continued in-migration trends, with Ocala once again earning top national recognition in U-Haul’s growth rankings. These indicators underscore the region’s ability to attract new residents, particularly working families and younger households, and continue to drive demand across both single-family and multi-family housing markets.

Public school enrollment remains a clear signal of this growth. Marion County Public Schools continues to operate at or near record levels, reflecting rapid household formation and reinforcing the need for continued investment in educational and community infrastructure. This sustained population growth is also evident in the local housing market, which remains one of the strongest measures of the region’s economic health. New residential construction and occupancy levels continue at a robust pace, with multi-family inventory expanding significantly over the past several years. Despite this increase in supply, occupancy remains strong, reflecting continued demand and the market’s overall stability relative to broader state and national trends.

Primary employment growth and capital investment also remain key drivers of the regional economy. Over the past several years, the area has seen nearly $1.4 billion in tracked primary employment investment, supporting the creation of more than 4,200 direct jobs. While logistics continues to play an important role, the continued expansion of higher-wage manufacturing and advanced industry remains especially significant, strengthening the region’s economic base and wage profile while reinforcing Ocala’s position as a competitive location for business growth and expansion.

Healthcare continues to stand out as one of the region’s strongest and fastest-growing economic pillars. AdventHealth Ocala recently celebrated the opening of a new three-story, 60,000-square-foot medical office building, expanding access to outpatient services and specialty care. HCA Florida has continued major investments in its local facilities, increasing surgical and inpatient capacity through multiple expansions. UF Health’s Ocala neighborhood hospital, which opened in 2024, continues to ramp up services and broaden access to care across the community. In addition, Everest Rehabilitation Hospital is developing a new freestanding rehabilitation facility, further strengthening the region’s specialty care offerings. Importantly, Empath Hospice of Marion has opened a new dementia care facility, adding a critical and compassionate resource for families and addressing the region’s growing need for specialized memory care. Complementing these clinical investments, the College of Central Florida has opened the Advent Center for Nursing, a major step forward for healthcare workforce development and a key asset in building a strong, sustainable pipeline of nursing and healthcare talent to support the region’s expanding medical sector.

Tourism has also re-emerged as a powerful and consistent driver of the local economy, led by continued investment in destination-quality facilities and year-round sports and event programming. Tourism Development Tax revenues have set records for multiple consecutive years, reflecting sustained growth in visitation and overnight stays. The World Equestrian Center (WEC) remains at the center of this momentum, with the opening of The Manor, its new conference and event center, significantly expanding the region's capacity to host large-scale meetings, conventions, and destination events. Alongside The Manor, four new on-site restaurants have opened, further enhancing WEC's role as a year-round hospitality, dining, and entertainment destination. These additions build on WEC's continued evolution and reinforce Ocala's growing reputation as a premier hub for sports, events, and tourism as the region looks ahead to 2026.

Long-Term Financial Planning

The BCC has identified improvements to be made as part of its Capital Improvement Program (CIP) for fiscal years 2024-2025 through 2028-2029. The CIP includes capital improvements in the amount of $192,073,020, of which $45,312,730 is to be funded from the proceeds of a one-percent local option sales tax levied through public referendum and in effect for the calendar years of 2017 through 2020 and 2021 through 2024. At the time the Fiscal Year 2024-2025 CIP was adopted, a Sales Surtax Renewal Referendum was scheduled for the November 5, 2024, general election ballot. The referendum was successfully approved by voters, renewing the one-percent local option sales surtax for a period of 20 years. This extension is effective from January 1, 2025, through December 31, 2045. Since its original inception the local option sales tax is projected to generate $573,656,241 over a nine-year period (January 1, 2017, through FY 2026) providing funding for transportation infrastructure and capital for public safety purposes.

Planned CIP general capital improvements include the Marion County Employee Health Clinic, Gateway Signage for NW 49th Street, the Judicial Complex 1 roof replacement, the Judicial Center parking garage repairs, Judicial Center 1 replacement of the air handler unit, Southeastern Livestock Pavilion arena grandstands replacement, McPhearson Government Complex building analysis, security upgrades for Marion County buildings and the replacement of 34 hot water solar panels at the Marion County Jail. In addition to their CIP, the BCC adopted a Transportation Improvement Program (TIP), which identified improvements to be made to the County's road system for fiscal years 2024-2025 through 2028-2029. The total projected cost of transportation improvements identified in the TIP is $385,865,355 not including $314,354,347 of transportation projects included in the local option sales tax funding above.

Relevant Financial Policies

Pension Plan
The County provides pension benefits for all employees through a statewide plan managed by the Florida Department of Management Services, Division of Retirement. The statewide plan is a contributory pension plan. The County complies with the Governmental Accounting Standards Board (GASB) Statement No. 68 "*Accounting and Financial Reporting for Pensions*," in regard to recognizing its unfunded portion of the statewide plan as a liability. This is reflected in the financial statements and notes within this Annual Comprehensive Financial Report.

Fund Balance Policy
The County has established a fund balance policy in accordance with GASB Statement No. 54 *"Fund Balance Reporting and Governmental Fund Type Definitions"*. The purpose of the fund balance policy is to establish a key element of the financial stability of the County by setting guidelines for fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the county maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The fund balance also provides cash flow liquidity for the County's general operations.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Marion County, Florida for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2024. This was the fortieth consecutive year that the government has achieved this prestigious award (fiscal years ended 1985-2024). In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

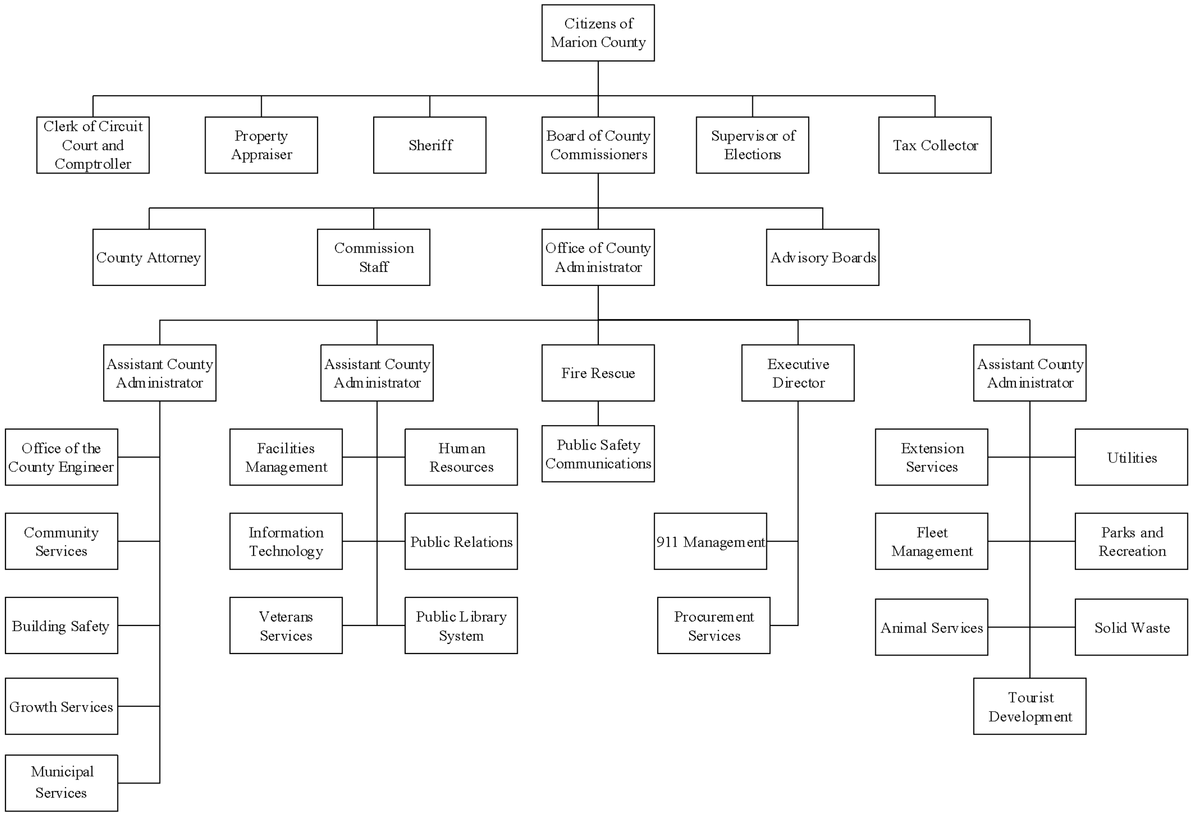
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

An ACFR of this nature could not have been prepared without the efficient and dedicated service of all staff members involved. We would like to express our appreciation to the staff of the Clerk of Court and Comptroller Finance and Budget Departments for their efforts in producing this report, and to Purvis Gray; Milestone Professional Services, Inc.; and Vision PR & Marketing for their contributions to the design, preparation, and publication of this document. Finally, our thanks for the interest and support of the Board of County Commissioners in planning and conducting the fiscal operations of Marion County.

Respectfully submitted,

Gregory C. Harrell
Clerk of Court and Comptroller

Jennifer Cole, CGFO
Finance Director



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FINANCIAL SECTION

This section contains the following subsections:

- INDEPENDENT AUDITOR'S REPORT
- MANAGEMENT'S DISCUSSION AND ANALYSIS
- BASIC FINANCIAL STATEMENTS
- REQUIRED SUPPLEMENTARY INFORMATION
- OTHER SUPPLEMENTARY INFORMATION

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Marion County, Florida
Ocala, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County, Florida (Marion County) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Marion County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Marion County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

INDEPENDENT AUDITOR'S REPORT

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Marion County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Marion County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Marion County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

INDEPENDENT AUDITOR'S REPORT

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of changes in total other postemployment benefits liability and related ratios, schedule of proportionate share of net pension liability, and schedule of contributions, 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 GASB, 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.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Marion County's basic financial statements. The accompanying combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Board of County Commissioners
Marion County, Florida
Ocala, Florida

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2026, on our consideration of Marion County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Marion County's internal control over financial reporting and compliance.

Purvis Gray

March 13, 2026
Ocala, Florida

This Management's Discussion and Analysis ("MD&A") presents an overview of the financial activities of Marion County, Florida (the "County") for the fiscal year ended September 30, 2025. Please read it in conjunction with the Letter of Transmittal and the County's financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2025 by $2,229,599,680 (net position). Of this amount, $28,567,650 is unrestricted net position.

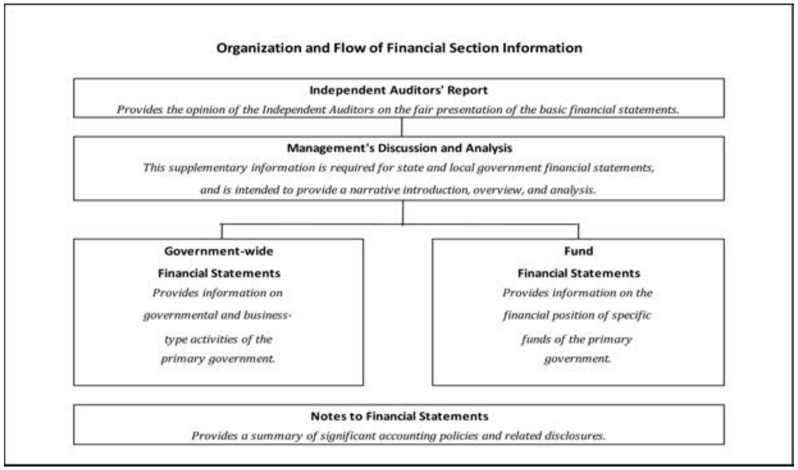
- The County's total net position increased by $174,306,783 for current year activities. Of this increase, $127,496,984 was attributed to governmental activities and $46,809,799 to business-type activities.

- At September 30, 2025, the County's governmental funds reported combined ending fund balances of $547,346,379, an increase of $45,485,102 in comparison with the prior year.

- At September 30, 2025, unassigned fund balance for the General Fund was $30,797,010 or 8.2% of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.



Government-wide financial statements

The *government-wide financial statements*, which consist of the following two statements, are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them 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. Additionally, nonfinancial factors, such as a change in the County's property tax base or the condition of County facilities and infrastructure, should be considered to assess the overall health of the County.

The *statement of activities* presents information showing how the government's net position changed during fiscal year 2025. 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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of these financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities)*. The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, culture/recreation, and court related activities. The business-type activities of the County include solid waste disposal and water and wastewater utilities.

The government-wide financial statements include not only the County itself (known as the primary government) but also legally separate entities known as Component Units. Component units, which are other governmental units over which the County Commission can exercise influence and/or may be obligated to provide financial subsidy, are presented as a separate column in the government-wide financial statements and as individual activities in the basic and fund financial statements. The County's discretely presented component unit will not be addressed in this MD&A.

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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains dozens of individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, County Transportation Maintenance, MSTU for Law Enforcement, Fire Rescue & EMS Fund, American Rescue Plan, and Infrastructure Surtax Capital Projects Fund, which are considered to be major funds. Individual fund data for the General Fund, combining the Board of County Commissioners, Clerk of Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector is provided in the form of *combining statements* in the other supplemental information section of this report. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the other supplemental information section of this report.

The County adopts an annual appropriated budget for its general, most special revenue, most debt service funds and most capital projects funds. Budgetary comparison schedules have been provided for these funds to demonstrate budgetary compliance.

The County maintains two different types of *proprietary funds*. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to solid waste disposal, and water and wastewater utilities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses the internal service fund to account for its self-insurance and risk management program. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Solid Waste and Marion County Utility funds, which are considered to be major funds of the County.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is similar to proprietary funds. The County only has custodial funds.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, *required supplementary information* is included which presents a schedule of changes in total OPEB liability and related ratios for other post employment benefits liability; schedules of proportionate share of net pension liability; and schedules of contributions for cost-sharing pension plans.

A budgetary comparison schedule for the major Infrastructure Surtax Capital Project Fund, the combining statements referred to earlier in connection with nonmajor governmental funds, and fiduciary funds are presented in the other supplemental information section of this report, along with budgetary comparison schedules for the County's nonmajor governmental funds.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $2,229,599,680 at the close of the fiscal year ended September 30, 2025.

The County is able to report positive balances in all three categories of net position for its business-type activities and two of the categories for its governmental activities.

The largest portion of the County's net position (79.8%) reflects its net investment in capital assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The County has *restricted net position* of $421,041,236 for debt service, capital projects, law enforcement, fire & rescue, resource conservation, transportation and other purposes. The remaining balance of $28,567,650 is *unrestricted net position*.

Marion County, Florida
Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 673,031,054	$ 634,071,591	$ 205,853,881	$ 189,108,554	$ 878,884,935	$ 823,180,145
Capital assets (net)	1,654,594,225	1,585,305,613	247,898,165	222,355,812	1,902,492,390	1,807,661,425
Total Assets	2,327,625,279	2,219,377,204	453,752,046	411,464,366	2,781,377,325	2,630,841,570
Deferred outflows of resources	101,400,264	110,729,694	4,094,237	4,890,387	105,494,501	115,620,081
Total Deferred Outflows	101,400,264	110,729,694	4,094,237	4,890,387	105,494,501	115,620,081
Current and other liabilities	84,388,676	89,833,460	9,564,683	7,857,756	93,953,359	97,691,216
Long-term liabilities	384,089,899	427,529,644	112,107,913	119,022,687	496,197,812	546,552,331
Total Liabilities	468,478,575	517,363,104	121,672,596	126,880,443	590,151,171	644,243,547
Deferred inflows of resources	62,653,342	39,987,137	4,467,633	4,082,848	67,120,975	44,069,985
Total Deferred Inflows	62,653,342	39,987,137	4,467,633	4,082,848	67,120,975	44,069,985
Net Position:						
Net Investment in Capital Assets	1,594,723,004	1,531,169,985	185,267,790	154,582,871	1,779,990,794	1,685,752,856
Restricted	418,796,488	366,479,463	2,244,748	2,149,645	421,041,236	368,629,108
Unrestricted	(115,625,866)	(124,892,791)	144,193,516	128,658,946	28,567,650	3,766,155
Total Net Position	$ 1,897,893,626	$ 1,772,756,657	$ 331,706,054	$ 285,391,462	$ 2,229,599,680	$ 2,058,148,119

There was a net increase of $46,809,799 in net position reported in connection with the County's business-type activities that resulted from current year utility connection fees and capital grants. Governmental activities increased the County's net position by $127,496,984 from current year activities.

Current and other assets increased by $38,959,463 for governmental activities in line with the overall net increase in net position for the year. The majority of the increases are attributed to changes in cash and investments resulting from additional infrastructure surtax funds and advanced ARP Act funds for costs in the next fiscal years.

Deferred outflows of resources decreased by $(10,125,580) and deferred inflows of resources increased by $23,050,990 from the prior year primarily as a result of changes in the County's pension balances and other postemployment benefits (OPEB) in the current year. Deferred outflows and deferred inflows of resources represent amounts that will increase or decrease net position in future periods.

Key reasons for the changes that resulted from other current year activities are presented in the following pages for governmental and business-type activities.

Marion County, Florida
Changes in Net Position

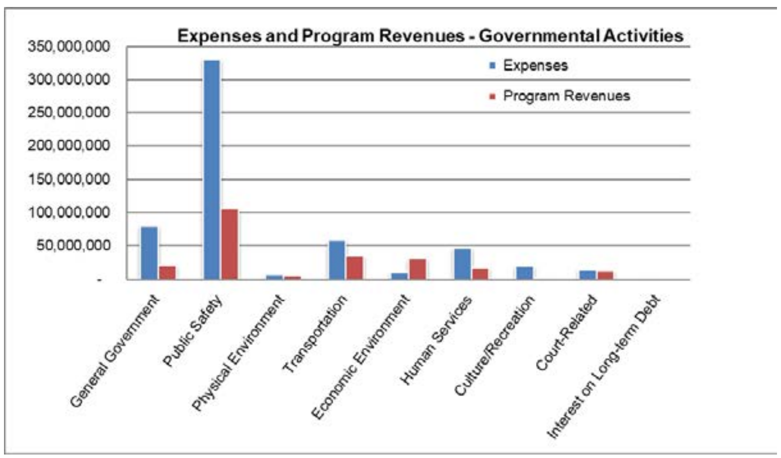
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues:						
Charges for Services	$ 160,683,141	$ 169,516,554	$ 58,599,878	$ 54,290,589	$ 219,283,019	$ 223,807,143
Operating Grants and Contributions	21,776,339	41,724,994	11,729,665	2,887,476	33,506,004	44,612,470
Capital Grants and Contributions	48,793,030	25,968,864	33,278,770	33,263,132	82,071,800	59,231,996
General Revenues:						
Property Taxes	263,739,138	230,730,633	-	-	263,739,138	230,730,633
Other Taxes	145,304,748	140,636,965	-	-	145,304,748	140,636,965
Other	53,323,277	59,435,457	10,854,394	12,216,353	64,177,671	71,651,810
Total Revenues	693,619,673	668,013,467	114,462,707	102,657,550	808,082,380	770,671,017
EXPENSES						
General Government	80,357,521	74,643,254	-	-	80,357,521	74,643,254
Public Safety	330,462,839	309,247,283	-	-	330,462,839	309,247,283
Physical Environment	6,563,142	9,318,883	-	-	6,563,142	9,318,883
Transportation	58,098,850	56,292,120	-	-	58,098,850	56,292,120
Economic Environment	10,291,318	11,161,894	-	-	10,291,318	11,161,894
Human Services	45,805,209	62,283,699	-	-	45,805,209	62,283,699
Culture/Recreation	19,986,866	19,844,771	-	-	19,986,866	19,844,771
Court-Related	13,212,674	13,903,691	-	-	13,212,674	13,903,691
Interest on Long-term Debt	1,344,270	1,152,972	-	-	1,344,270	1,152,972
Solid Waste	-	-	26,167,289	21,746,983	26,167,289	21,746,983
Water and Wastewater	-	-	41,485,619	39,818,534	41,485,619	39,818,534
Total Expenses	566,122,689	557,848,567	67,652,908	61,565,517	633,775,597	619,414,084
Excess (Deficiency) Before Transfers	127,496,984	110,164,900	46,809,799	41,092,033	174,306,783	151,256,933
Transfers	-	(14,875)	-	14,875	-	-
Change in Net Position	127,496,984	110,150,025	46,809,799	41,106,908	174,306,783	151,256,933
Beginning Net Position, Original	1,772,756,657	-	285,391,462	-	2,058,148,119	-
Restatement	(2,360,015)	-	(495,207)	-	(2,855,222)	-
Beginning Net Position, Restated	1,770,396,642	1,662,606,632	284,896,255	244,284,554	2,055,292,897	1,906,891,186
Ending Net Position	$ 1,897,893,626	$ 1,772,756,657	$ 331,706,054	$ 285,391,462	$ 2,229,599,680	$ 2,058,148,119

Governmental activities

Governmental activities increased the County's net position by $127,496,984. Total revenues increased from the prior year by $25.6 million, including an increase of $33.0 million in property tax revenues from increasing property values along with a decrease in charges for services of $(8.8) million including a special assessment to provide funding for the statewide Medicaid managed care hospital payment program. Total expenses increased $8.3 million from the prior year. Public safety increased by $21.2 million from increased personnel costs along with a decrease in human services of $(16.5) million from payments to AHCA for the Medicaid program. Operating grants and contributions decreased by $(19.9) million as ARPA grant funds were used for operational expenses in the prior year that were not repeated in the current year. Capital grants and contributions increased by $22.8 million from ARPA funds used for capital improvements projects in the current year.

Expenses and Program Revenues – Governmental Activities

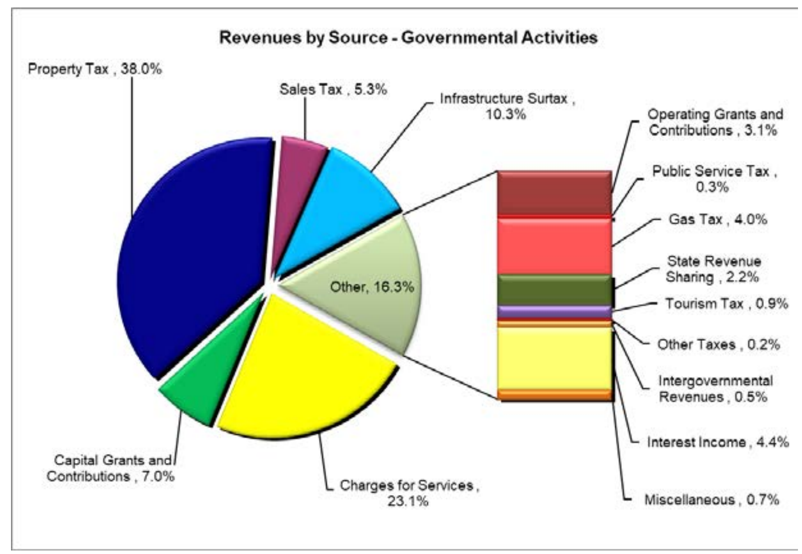
Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
General Government	$ 80,357,521	14.3 %	$ 21,176,374	9.2 %	$ (59,181,147)
Public Safety	330,462,839	58.4 %	106,180,447	45.9 %	(224,282,392)
Physical Environment	6,563,142	1.2 %	5,620,449	2.4 %	(942,693)
Transportation	58,098,850	10.3 %	34,902,169	15.1 %	(23,196,681)
Economic Environment	10,291,318	1.8 %	31,774,385	13.7 %	21,483,067
Human Services	45,805,209	8.1 %	17,249,739	7.5 %	(28,555,470)
Culture/Recreation	19,986,866	3.5 %	1,988,916	0.9 %	(17,997,950)
Court-Related	13,212,674	2.3 %	12,360,031	5.3 %	(852,643)
Interest on Long-term Debt	1,344,270	0.2 %	-	0.0 %	(1,344,270)
	$ 566,122,689	100.0 %	$ 231,252,510	100.0 %	$ (334,870,179)



MARION COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2025

Revenues by Source – Governmental Activities

Description	Revenues	% of Total
Charges for Services	$ 160,683,141	23.1 %
Operating Grants and Contributions	21,776,339	3.1 %
Capital Grants and Contributions	48,793,030	7.0 %
Property Tax	263,739,138	38.0 %
Infrastructure Surtax	71,247,707	10.3 %
Sales Tax	37,098,834	5.3 %
Public Service Tax	2,229,373	0.3 %
Gas Tax	27,522,669	4.0 %
State Revenue Sharing	15,104,407	2.2 %
Tourist Development Tax	6,160,912	0.9 %
Other Taxes	1,045,253	0.2 %
Intergovernmental Revenues	3,311,549	0.5 %
Interest Income	30,322,251	4.4 %
Miscellaneous	4,585,070	0.7 %
	$ 693,619,673	100.0 %

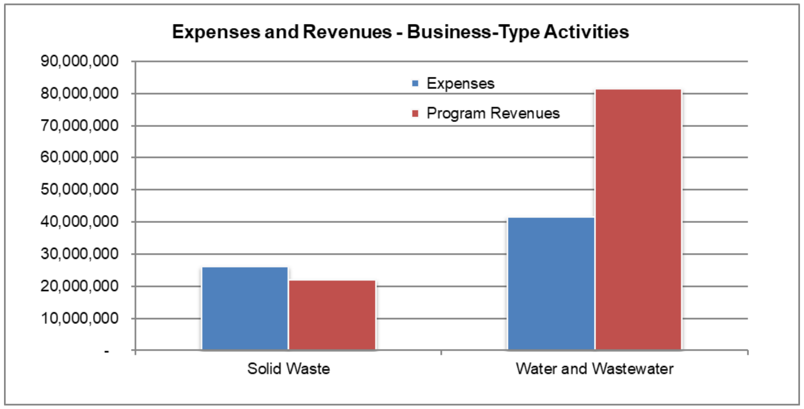


Business-type activities

Business-type activities increased the County's net position by $46,809,799. Total revenues increased by $11.8 million from the prior year mostly attributed to operating grants and contributions increase of $8.8 million from increased water and waste water connection fees collected from new construction during the year. Business-type expenses increased by $6.1 million from the prior year due to increased expenses associated with the provision of closure and post-closure care of the County's landfill and pollution remediation liability estimates. The Solid Waste Fund experienced an operating loss for the year. In the Solid Waste Fund, this was the result of contractual services for yard waste disposal nearly doubled in the year.

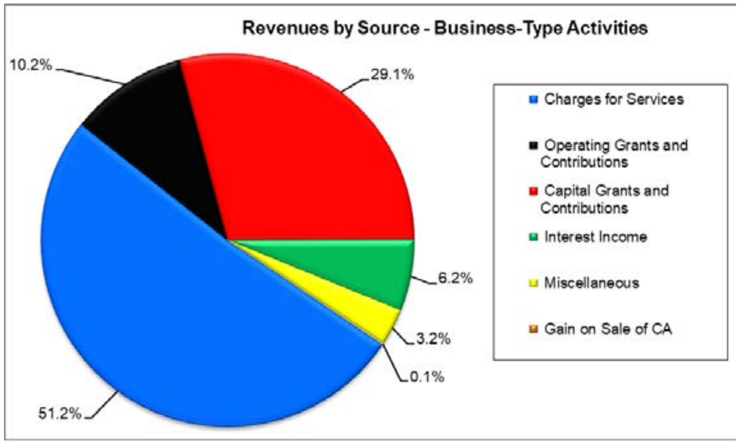
Expenses and Program Revenues – Business-type Activities

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
Solid Waste	$ 26,167,289	38.7 %	$ 22,026,252	21.3 %	$ (4,141,037)
Water and Wastewater	41,485,619	61.3 %	81,582,061	78.7 %	40,096,442
	$ 67,652,908	100.0 %	$ 103,608,313	100.0 %	$ 35,955,405



Revenues by Source – Business-type Activities

Description	Revenues	% of Total
Charges for Services	$ 58,599,878	51.2 %
Operating Grants and Contributions	11,729,665	10.2 %
Capital Grants and Contributions	33,278,770	29.1 %
Interest Income	7,124,362	6.2 %
Miscellaneous	3,613,518	3.2 %
Gain on Sale of Assets	116,514	0.1 %
	$ 114,462,707	100.0 %



Financial Analysis of the County's Funds

Governmental funds

The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources.* Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

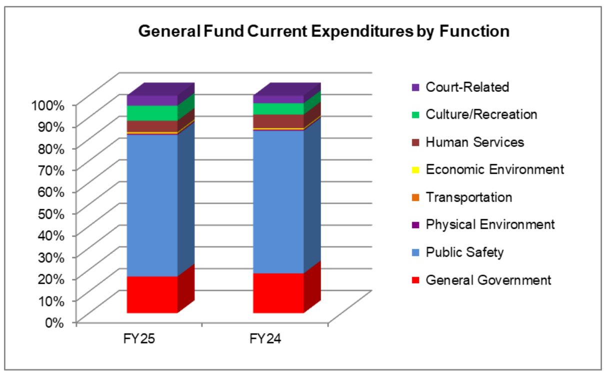
As of the end of fiscal year 2025, the County's governmental funds reported combined ending fund balances of $547,346,379, an increase of $45,485,102 in comparison with the prior year. The County's General Fund *Unassigned fund balance* is $30,797,010. The majority of unassigned fund balance consists of funds budgeted in the subsequent year for contingency. The County's governmental funds reported combined ending *restricted fund balances* of $405,276,335, an increase of $46.7 million from the prior year. Restricted fund balance includes amounts that can only be spent for specific purposes as stipulated by external resource providers either constitutionally or through enabling legislation such as the Florida Statutes, laws and regulations, or grantors.

The County's governmental funds reported *Committed fund balances* of $3,169,060 and *Assigned fund balances* of $98,375,495, which are available for spending in accordance with related ordinances or County policy. The remainder of fund balances is *Nonspendable* to indicate that it is not available for spending because it is not in spendable form: for inventories ($3,080,990) and for prepaid items ($6,647,489).

The General Fund is the chief operating fund of the County. At the end of fiscal year 2025, unassigned fund balance of the General Fund was $30,797,010, while total fund balance reached $111,158,132. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 8.2% of the total General Fund expenditures, while total fund balance represents 29.6% of that same amount.

The decrease in fund balance of the County's General Fund was $(4,017,821) during the current fiscal year. Charges for services increased by $5.0 million from the prior year as a result of increased usage of services by County citizens; intergovernmental revenues decreased by $(2.6) million from reduced grant reimbursements; and taxes increased by $13.3 million from increased property values. Expenditures and transfers out increased by $35.3 million from the prior year mostly as a result of increased personnel costs and capital outlay for public safety of $21.5 million.

The following graph displays the General Fund current expenditures by function for FY25 and FY24 (it does not include debt service or other financing uses).



The County Transportation Maintenance Fund provides funding in the form of gas taxes for the Marion County Transportation Department. At the end of fiscal year 2025, ending fund balance totaled $23,065,817, a minimal increase of $299,021 from the prior year. This is attributed to an increase in transportation construction project costs in the fiscal year.

The MSTU for Law Enforcement Fund provides funding in the form of ad valorem taxes for the Marion County Sheriff's Department. At the end of fiscal year 2025, restricted and assigned fund balance totaled $21,119,968; this amount represents 22.1% of the fund's total expenditures and transfers out. The fund balance increased by $3,027,763 from the prior year as a result of effective budgeting strategies to provide public safety services through the Sheriff's Department.

The Fire, Rescue and EMS fund was established to promote the health, safety and welfare of the citizens of the County. At the end of the fiscal year, fund balance totaled $22,789,756, an increase of $2,446,295 from the prior fiscal year. This was mainly a result of $5.5 million increased revenues for the provision for public safety services in the fiscal year.

The Infrastructure Surtax Capital Projects Fund was established to account for the County's infrastructure surtax revenues and capital infrastructure expenditures. The fund balance totaled $168,897,472, an increase of $25,832,013 from the prior fiscal year. This was the result of decreased project expenditures in the year as projects were carried over to the next year.

The American Rescue Plan fund was established to account for the County's allocation from the Coronavirus State and Local Fiscal Recovery Fund federal relief program and its related expenditures. There was a $2.6 million increase in fund balance from the prior year due to interest income on the advanced federal relief funds. The County is still in the process of spending those resources.

Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. All enterprise funds are reported as major funds. As previously discussed, the internal service fund is combined with governmental funds to arrive at governmental activities. Unrestricted net position of enterprise funds at the end of the year amounted to:

	Unrestricted Net Position	
Fund	**2025**	**2024**
Solid Waste	$ 44,495,742	$ 45,075,413
Marion County Utility	99,697,774	83,583,533
Total	$ 144,193,516	$ 128,658,946

There was a decrease in unrestricted net position for the Solid Waste Fund of $(579,671), and an increase in unrestricted net position for the Utility Fund of $16,114,241. The Solid Waste Fund's total net position decreased by $(690,761), while the Utility Fund's total net position increased by $47,500,560 from the current year's activities. The Solid Waste Fund's decrease is primarily due to increased closure and post-closure care along with pollution remediation estimated costs. The Utility Fund's increase in net position was the result of increased capital grants and contributions for future system improvements.

General Fund Budgetary Highlights

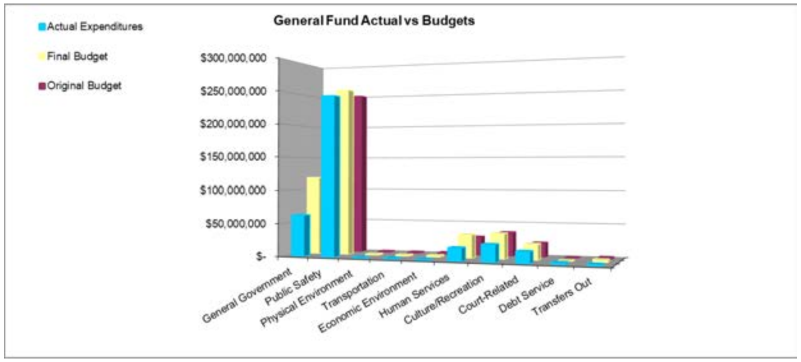
The General Fund's original budget increased by $17,984,454 to arrive at the final amended budget for expenditures and transfers out. The largest change was an increase to public safety of $5.8 million for additional personnel costs. The changes within functions are summarized in the table below.

	Original Budget	**Final Budget**	**Change**
General Government	$ 118,074,491	$ 118,155,359	$ 80,868
Public Safety	248,683,610	254,440,461	5,756,851
Physical Environment	1,756,419	1,743,039	(13,380)
Transportation	1,834,759	1,834,759	-
Economic Environment	2,486,054	2,501,054	15,000
Human Services	28,157,457	35,014,943	6,857,486
Culture/Recreation	36,044,676	37,606,987	1,562,311
Court-Related	21,255,850	23,571,982	2,316,132
Debt Service	586,897	641,060	54,163
Transfers Out	2,308,394	3,663,417	1,355,023
	$ 461,188,607	$ 479,173,061	$ 17,984,454

The General Fund underspent the final budget by $102.7 million. The variances within functions are summarized in the table below.

	Actual Expenditures	Final Budget	Variance
General Government	$ 63,405,123	$ 118,155,359	$ 54,750,236
Public Safety	241,685,537	254,440,461	12,754,924
Physical Environment	1,434,187	1,743,039	308,852
Transportation	1,597,448	1,834,759	237,311
Economic Environment	1,328,169	2,501,054	1,172,885
Human Services	19,564,232	35,014,943	15,450,711
Culture/Recreation	25,762,320	37,606,987	11,844,667
Court-Related	17,169,730	23,571,982	6,402,252
Debt Service	3,060,898	641,060	(2,419,838)
Transfers Out	1,467,408	3,663,417	2,196,009
	$ 376,475,052	$ 479,173,061	$ 102,698,009

The largest differences between actual expenditures and the final budget resulted in general government of $54.8 million due to unspent budgeted contingency. Overhead costs and fuel allocations in the amount of $13.0 million in general government are budgeted, but eliminated expenditures.



Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2025 amounts to $1,902,492,390 (net of accumulated depreciation and amortization). This investment in capital assets includes land, historical treasures, buildings, improvements other than buildings (including leasehold improvements), equipment, software, infrastructure, right to use intangibles, and construction in progress. The County's total investment in capital assets increased by $94.8 million from the prior year.

Major capital asset events during the current fiscal year included the following

- Construction in Progress related to governmental activities increased by $9.7 million from the prior year.
- System improvements related to business-type activities increased by $42.0 million from the prior year.

Marion County, Florida
Capital Assets, Net

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 498,224,137	$ 441,970,278	$ 13,232,466	$ 13,238,294	$ 511,456,603	$ 455,208,572
Historical Treasures	266,238	266,238	-	-	266,238	266,238
Buildings	274,245,171	268,302,943	12,873,689	8,828,963	287,118,860	277,131,906
Improvemts Other than Buildings	100,988,639	90,631,270	446,388,743	404,394,138	547,377,382	495,025,408
Equipment	234,190,566	215,386,975	25,132,377	22,286,046	259,322,943	237,673,021
Software	7,050,890	7,050,890	-	-	7,050,890	7,050,890
Right to Use Intangible Assets	18,095,852	19,877,802	722,038	823,262	18,817,890	20,701,064
Infrastructure	1,462,501,242	1,457,254,768	-	-	1,462,501,242	1,457,254,768
Construction in Progress	90,212,669	80,552,938	13,421,737	17,417,999	103,634,406	97,970,937
Construction in Progress - Infrastructure	120,110,155	98,627,885	-	-	120,110,155	98,627,885
	2,805,885,559	2,679,921,987	511,771,050	466,988,702	3,317,656,609	3,146,910,689
Less: Accumulated Depreciation	(1,151,291,334)	(1,094,616,374)	(263,872,885)	(244,632,890)	(1,415,164,219)	(1,339,249,264)
Capital Assets, net	$ 1,654,594,225	$ 1,585,305,613	$ 247,898,165	$ 222,355,812	$ 1,902,492,390	$ 1,807,661,425

Additional information on the County's capital assets, including major construction commitments, can be found in Note 4 of this report.

Long-term debt

At the end of fiscal year 2025, the County had total bonded debt outstanding of $64,294,136. Of this amount, $6,664,136 is special assessment debt for which the government is not liable in the event of default by the property owners subject to the assessment. The remainder of the County's bonded debt $57,630,000 represents bonds secured solely by specified revenue sources (i.e., revenue bonds). Additionally, the County had notes from direct borrowings of $23,751,338 at the end of fiscal year 2025, leases payable, and SBITAs payable.

Marion County, Florida
Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue Bonds	$ 18,440,000	$ 21,870,000	$ 39,190,000	$ 43,085,000	$ 57,630,000	$ 64,955,000
Special Assessment Bonds	6,664,136	5,173,135	-	-	6,664,136	5,173,135
SBITAs Payable	1,633,741	3,511,098	281,801	459,380	1,915,542	3,970,478
Leases Payable	11,749,980	11,608,796	20,315	24,667	11,770,295	11,633,463
Notes from Direct Borrowings	1,436,027	534,280	22,315,311	24,893,300	23,751,338	25,427,580
	$ 39,923,884	$ 42,697,309	$ 61,807,427	$ 68,462,347	$ 101,731,311	$ 111,159,656

The County's outstanding bonded debt, notes from direct borrowings, leases payable and SBITA payable decreased by $(9,428,345). This decrease is attributed to scheduled debt service principal reductions in the year.

Additional information on the County's debt, including any major changes to the County's credit ratings, can be found in Note 5 of this report.

Economic Factors and Next Year's Budgets and Rates

- The annual average unemployment rate for the County for 2025 was 5.30% which was a minimal increase from the prior year. The average adjusted rate for 2024 was 4.40%.

- The taxable assessed value increased 13.7% in the 2025 fiscal year.

- Population increased approximately 3.4% from the prior fiscal year to 433,765 at September 30, 2025.

During the current fiscal year, unassigned fund balance in the General Fund increased to $30,797,010. The County has budgeted $101,704,299 for spending in the 2026 fiscal year budget, which includes $78,022,431 of assigned fund balance carried forward from 2025. The ad valorem tax rate for the General Fund is reduced to 3.09 mills for the 2026 fiscal year budget.

Rates for the County's water and wastewater utilities remained unchanged in fiscal year 2025. There are no scheduled increases in rates for fiscal year 2026.

In an effort to help stimulate job creation and the economy, the County is awarding Economic Development Financial Incentive Grants. Both Marion County and the City of Ocala are working together with the Economic Development Council to develop potential industrial parks and bring new jobs to Marion County.

Requests for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the Marion County Clerk of Court and Comptroller, Finance Department, 110 NW First Avenue, Ocala, Florida, 34475.

MARION COUNTY, FLORIDA
Statement of Net Position
September 30, 2025

	Governmental Activities	Business-type Activities	Total	Marion County Housing Finance Authority
ASSETS				
Cash and Cash Equivalents	$ 31,136,846	$ 76,327,870	$ 107,464,716	$ 122,786
Restricted Cash and Cash Equivalents	374,345,541	23,641,603	397,987,144	133,067
Investments	181,767,918	72,006,465	253,774,383	120,954
Restricted Investments	31,578,773	-	31,578,773	-
Accounts Receivable, Net	14,739,928	2,180,044	16,919,972	107,733
Accrued Interest Receivable	680,106	480,691	1,160,797	-
Leases Receivable - Current	224,554	163,991	388,545	-
Lease Interest Receivable	5,979	4,380	10,359	-
Special Assessments Receivable	6,615,305	-	6,615,305	-
Due from Other Governments	19,603,684	13,844,551	33,448,235	-
Internal Balances	4,760	(4,760)	-	-
Inventories	3,080,990	954,454	4,035,444	-
Prepaid Items	6,757,522	37,502	6,795,024	386
Lease Receivable	2,489,148	3,177,685	5,666,833	-
Other Assets	-	13,039,405	13,039,405	5,000
Capital Assets, Not Being Depreciated	708,813,199	26,654,203	735,467,402	305,984
Capital Assets, Being Depreciated, Amortized (Net)	945,781,026	221,243,962	1,167,024,988	3,445,840
Total Assets	2,327,625,279	453,752,046	2,781,377,325	4,241,750
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amount on Refunding	1,822,052	1,788,910	3,610,962	-
Deferred Outflows related to OPEB	5,692,933	185,890	5,878,823	-
Deferred Outflows related to Pensions	93,885,279	2,119,437	96,004,716	-
Total Deferred Outflows of Resources	101,400,264	4,094,237	105,494,501	-
LIABILITIES				
Accounts Payable	28,106,027	4,009,064	32,115,091	9,182
Contracts Payable	3,189,896	1,073,394	4,263,290	-
Accrued Liabilities	3,909,688	301,701	4,211,389	-
Accrued Interest Payable	400,917	230,243	631,160	-
Due to Other Governments	12,003,509	108,342	12,111,851	-
Due to Individuals	3,545,964	-	3,545,964	-
Future Connection Liability	-	648,669	648,669	-
Deposits	2,149,206	1,652,137	3,801,343	48,983
Unearned Revenue	31,083,469	1,541,133	32,624,602	6,622
Noncurrent Liabilities:				
Due Within One Year	16,572,490	8,962,786	25,535,276	-
Due in More Than One Year	367,517,409	103,145,127	470,662,536	-
Total Liabilities	468,478,575	121,672,596	590,151,171	64,787
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows related to Leases	2,511,999	3,047,107	5,559,106	-
Deferred Inflows related to OPEB	6,330,554	225,970	6,556,524	-
Deferred Inflows related to Pensions	53,810,789	1,194,556	55,005,345	-
Total Deferred Inflows of Resources	62,653,342	4,467,633	67,120,975	-
NET POSITION				
Net Investment in Capital Assets	1,594,723,004	185,267,790	1,779,990,794	3,751,824
Restricted for:				
Debt Service	10,867,338	-	10,867,338	-
Capital Projects	253,765,940	2,244,748	256,010,688	-
Fire and Rescue	27,166,578	-	27,166,578	-
Law Enforcement	31,008,174	-	31,008,174	-
Resource Conservation	14,735,066	-	14,735,066	-
Social Services	12,872,174	-	12,872,174	-
Building Department	16,602,105	-	16,602,105	-
Tourism	7,616,865	-	7,616,865	-
Transportation	32,937,912	-	32,937,912	-
Other Purposes	11,224,336	-	11,224,336	-
Unrestricted	(115,625,866)	144,193,516	28,567,650	425,139
Total Net Position	$ 1,897,893,626	$ 331,706,054	$ 2,229,599,680	$ 4,176,963

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

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MARION COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
FUNCTIONS/PROGRAMS	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**	**Marion County Housing Finance Authority**
Primary Government:								
Governmental Activities:								
General Government	$ 80,357,521	$ 18,898,908	$ 186,267	$ 2,091,199	$ (59,181,147)	$	$ (59,181,147)	$ -
Public Safety	330,462,839	99,360,894	6,619,939	199,614	(224,282,392)	-	(224,282,392)	-
Physical Environment	6,563,142	5,364,043	9,899	246,507	(942,693)	-	(942,693)	-
Transportation	58,098,850	5,952,602	3,441,726	25,507,841	(23,196,681)	-	(23,196,681)	-
Economic Environment	10,291,318	1,355,590	10,574,282	19,844,513	21,483,067	-	21,483,067	-
Human Services	45,805,209	16,901,954	347,785	-	(28,555,470)	-	(28,555,470)	-
Culture/Recreation	19,986,866	755,460	330,100	903,356	(17,997,950)	-	(17,997,950)	-
Court-Related	13,212,674	12,093,690	266,341	-	(852,643)	-	(852,643)	-
Interest on Long-Term Debt	1,344,270	-	-	-	(1,344,270)	-	(1,344,270)	-
Total Governmental Activities	566,122,689	160,683,141	21,776,339	48,793,030	(334,870,179)		(334,870,179)	-
Business-type Activities:								
Solid Waste	26,167,289	20,891,613	1,134,639	-	-	(4,141,037)	(4,141,037)	-
Water and Wastewater	41,485,619	37,708,265	10,595,026	33,278,770	-	40,096,442	40,096,442	-
Total Business-type Activities	67,652,908	58,599,878	11,729,665	33,278,770		35,955,405	35,955,405	-
Total Primary Government	$ 633,775,597	$ 219,283,019	$ 33,506,004	$ 82,071,800	(334,870,179)	35,955,405	(298,914,774)	-
Component Units:								
Marion County Housing	561,305	-	-	-				(561,305)
Total Component Units	$ 561,305	$ -	$ -	$ -				(561,305)
General Revenues:								
Property Tax					263,739,138	-	263,739,138	-
Sales Tax					37,098,834	-	37,098,834	-
Infrastructure Surtax					71,247,707	-	71,247,707	-
Public Service Tax					2,229,373	-	2,229,373	-
Gas Tax					27,522,669	-	27,522,669	-
Unrestricted State Revenue Sharing					15,104,407	-	15,104,407	-
Tourist Development Tax					6,160,912	-	6,160,912	-
Other Taxes					1,045,253	-	1,045,253	-
Unrestricted Intergovernmental Revenues					3,311,549	-	3,311,549	-
Investment Income					30,322,251	7,124,362	37,446,613	9,865
Miscellaneous					4,585,070	3,613,518	8,198,588	486,431
Gain on Sale of Capital Assets					-	116,514	116,514	-
Total General Revenues and Transfers					462,367,163	10,854,394	473,221,557	496,296
Change in Net Position					127,496,984	46,809,799	174,306,783	(65,009)
Beginning Net Position, Originally Reported					1,772,756,657	285,391,462	2,058,148,119	4,241,972
Restatement					(2,360,015)	(495,207)	(2,855,222)	-
Beginning Net Position, as Restated					1,770,396,642	284,896,255	2,055,292,897	4,241,972
Ending Net Position					$ 1,897,893,626	$ 331,706,054	$ 2,229,599,680	$ 4,176,963

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

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MARION COUNTY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2025

	General Fund - County Wide	County Transportation Maintenance	MSTU for Law Enforcement	Fire, Rescue & EMS	American Rescue Plan	Infrastructure Surtax Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	$ 90,992,541	$ 12,959,289	$ 18,896,646	$ 13,387,533	$ 5,135,913	$ 83,679,393	$ 162,745,522	$ 387,796,837
Investments	38,866,858	10,027,553	-	10,254,033	29,467,332	79,442,208	31,815,728	199,873,712
Accounts Receivable	13,049,211	329,292	25,413	332	99,861	-	985,733	14,489,842
Accrued Interest Receivable	216,458	80,712	-	-	-	191,722	88,941	577,833
Special Assessments Receivable	-	195,996	-	-	-	-	6,419,309	6,615,305
Leases Receivable - Current	208,706	-	-	-	-	-	15,848	224,554
Leases Interest Receivable	4,001	-	-	-	-	-	1,978	5,979
Due from Other Funds	11,223	-	2,136,806	6,263	-	-	1,255,085	3,409,377
Due from Other Governments	6,904,331	2,116,803	61,103	346,770	-	7,948,925	2,225,752	19,603,684
Inventories	1,991,462	-	-	-	-	-	1,089,528	3,080,990
Prepaid Items	347,229	280	-	92,635	-	5,836,061	371,284	6,647,489
Leases Receivable	1,896,219	-	-	-	-	-	592,929	2,489,148
Total Assets	$ 154,488,239	$ 25,709,925	$ 21,119,968	$ 24,087,566	$ 34,703,106	$ 177,098,309	$ 207,607,637	$ 644,814,750
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts Payable	$ 11,617,839	$ 911,479	$ -	$ 339,364	$ 1,260,123	$ 7,251,707	$ 5,824,226	$ 27,204,738
Contracts Payable	551,273	101,060	-	15,446	1,262,022	949,130	310,965	3,189,896
Accrued Liabilities	2,318,639	266,912	-	926,012	-	-	279,020	3,790,583
Due to Other Funds	3,381,385	464	-	-	-	-	22,768	3,404,617
Due to Other Governments	10,457,807	89,463	-	16,988	-	-	1,433,461	11,997,719
Due to Individuals	3,543,964	-	-	-	-	-	2,000	3,545,964
Deposits	255,286	1,078,734	-	-	-	-	815,186	2,149,206
Unearned Revenues	5,709,707	-	-	-	22,379,738	-	444,396	28,533,841
Total Liabilities	37,835,900	2,448,112	-	1,297,810	24,901,883	8,200,837	9,132,022	83,816,564
Deferred Inflows of Resources:								
Deferred Assessments	-	195,996	-	-	-	-	6,419,309	6,615,305
Deferred Inflows - Leases	1,949,328	-	-	-	-	-	562,671	2,511,999
Unavailable Revenues	3,544,879	-	-	-	-	-	979,624	4,524,503
Total Deferred Inflows of Resources	5,494,207	195,996	-	-	-	-	7,961,604	13,651,807
Fund Balances:								
Nonspendable:								
Inventories	1,991,462	-	-	-	-	-	1,089,528	3,080,990
Prepaid Items	347,229	280	-	92,635	-	5,836,061	371,284	6,647,489
Restricted for:								
Community Redevelopment	-	-	-	-	-	-	887,534	887,534
Court Innovations	-	-	-	-	-	-	806,926	806,926
Records Modernization Tech	-	-	-	-	-	-	3,984,754	3,984,754
Debt Service Reserve	-	-	-	-	-	-	4,848,621	4,848,621
Fire and Rescue	-	-	-	20,925,982	-	-	6,144,842	27,070,824
Infrastructure	-	-	-	-	-	156,206,208	-	156,206,208
Inmate Benefits	-	-	-	-	-	-	2,780,161	2,780,161
Law Enforcement	-	-	19,270,733	-	-	-	11,737,441	31,008,174
Parks & Recreation	-	-	-	-	-	-	2,699,104	2,699,104
Public Safety	-	-	-	-	-	-	19,013,975	19,013,975
Resource Conservation	-	-	-	-	-	-	14,735,066	14,735,066
Road Construction	-	-	-	-	-	-	89,062,073	89,062,073
Social Services	-	-	-	-	-	-	12,872,174	12,872,174
Tourism	-	-	-	-	-	-	7,602,523	7,602,523
Transportation Maintenance	-	23,065,537	-	-	-	-	8,632,681	31,698,218
Committed to:								
Airport	-	-	-	-	-	-	437,004	437,004
Parks & Recreation	-	-	-	-	-	-	2,732,056	2,732,056
Assigned to:								
Subsequent Year's Budget	78,022,431	-	-	-	-	-	-	78,022,431
Fire and Rescue	-	-	-	1,771,139	-	-	-	1,771,139
Infrastructure	-	-	-	-	9,801,223	6,855,203	-	16,656,426
Law Enforcement	-	-	1,849,235	-	-	-	-	1,849,235
Parks & Recreation	-	-	-	-	-	-	6,233	6,233
Road Construction	-	-	-	-	-	-	70,031	70,031
Unassigned	30,797,010	-	-	-	-	-	-	30,797,010
Total Fund Balances	111,158,132	23,065,817	21,119,968	22,789,756	9,801,223	168,897,472	190,514,011	547,346,379
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 154,488,239	$ 25,709,925	$ 21,119,968	$ 24,087,566	$ 34,703,106	$ 177,098,309	$ 207,607,637	$ 644,814,750

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

MARION COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
as of September 30, 2025

Total fund balances of governmental funds		$ 547,346,379
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is $2,802,247,922 and the accumulated depreciation and amortization is $1,151,150,535. The difference does not include the net capital assets of the internal service funds which are included below.		1,651,097,387
The internal service fund is used by management to charge the costs of risk management services to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the Statement of Net Position.		22,722,487
At the governmental fund level, special assessments receivables are not available and reported as a deferred inflow of resources. All receivables are included as revenue in the Statement of Activities and therefore, not a deferred revenue on the Statement of Net Position.		6,615,305
At the governmental fund level, some receivables are not available and reported as a deferred inflow of resources. All receivables are included as revenue when earned in the Statement of Activities and therefore, not a deferred revenue on the Statement of Net Position.		4,524,503
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and not reported in governmental funds.		
Deferred outflows of resources for pensions	$ 93,779,830	
Deferred outflows of resources for OPEB	5,685,687	
Deferred inflows of resources for OPEB	(6,320,303)	
Deferred inflows of resources for pensions	(53,747,276)	39,397,938
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities--both current and long-term--are reported in the Statement of Net Position. The difference does not include the internal service funds which are included above. Long-term liabilities at year-end consist of:		
Bonds payable	25,104,136	
Notes from direct borrowings	1,436,027	
Lease payable	11,749,980	
SBITA payable	1,622,189	
Deferred charge on refunding	(1,822,052)	
Accrued interest payable	400,592	
Net pension liability	274,132,394	
Compensated absences	36,000,204	
Total other postemployment benefits liability	25,186,903	
		(373,810,373)
Total net position of governmental activities		$ 1,897,893,626

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

MARION COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2025

	General Fund - County Wide	County Transportation Maintenance	MSTU for Law Enforcement	Fire, Rescue, and EMS	American Rescue Plan	Infrastructure Surtax Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Taxes	$ 111,905,474	$ 15,718,864	$ 91,659,054	$ 28,065,879	$ -	$ 71,247,707	$ 52,341,166	$ 370,938,144
Special Assessments	-	40,219	-	38,056,044	-	-	27,918,321	66,014,584
Impact Fees	-	-	-	-	-	-	17,960,646	17,960,646
Permits and Fees	2,475	1,232,414	-	140,877	-	-	10,941,688	12,317,454
Intergovernmental Revenues	57,797,359	4,509,814	744,556	1,168,871	23,357,331	-	11,162,985	98,740,916
Charges for Services	57,392,214	893,894	3,609,711	520,242	-	-	6,718,880	69,134,941
Judgments and Fines	2,461,009	-	-	165	-	-	586,457	3,047,631
Court-Related Revenues	8,546,789	-	-	-	-	-	837,546	9,384,335
Investment Income	6,911,553	806,940	1,849,235	1,771,139	2,025,737	6,855,203	8,707,782	28,927,589
Miscellaneous Revenues	6,988,984	316,950	464,213	60,885	-	1,900	3,584,895	11,417,827
Total Revenues	252,005,857	23,519,095	98,326,769	69,784,102	25,383,068	78,104,810	140,760,366	687,884,067
EXPENDITURES								
Current:								
General Government	63,405,123	-	-	-	1,743,098	-	2,072,177	67,220,398
Public Safety	241,685,537	-	3,715,432	66,964,452	-	-	22,028,867	334,394,288
Physical Environment	1,434,187	-	-	-	19,087,298	-	4,457,663	24,979,148
Transportation	1,597,448	23,291,455	-	-	-	-	21,635,283	46,524,186
Economic Environment	1,328,169	-	-	-	4,475	-	12,733,121	14,065,765
Human Services	19,564,232	-	-	-	1,932,436	-	24,707,708	46,204,376
Culture/Recreation	25,762,320	-	-	-	-	-	4,969,806	30,732,126
Court-Related	17,169,730	-	-	-	-	-	1,917,410	19,087,140
Debt Service:								
Principal Retirement	2,593,137	69,332	-	290,174	-	-	4,507,457	7,460,100
Interest and Fiscal Charges	467,761	6,887	-	13,381	-	-	626,437	1,114,466
Capital Outlay	-	-	-	-	-	52,272,797	3,824,774	56,097,571
Total Expenditures	375,007,644	23,367,674	3,715,432	67,268,007	22,767,307	52,272,797	103,480,703	647,879,564
Excess (Deficiency) of Revenues Over (Under) Expenditures	(123,001,787)	151,421	94,611,337	2,516,095	2,615,761	25,832,013	37,279,663	40,004,503
OTHER FINANCING SOURCES (USES)								
Transfers In	117,253,196	-	214,100	1,086,914	-	-	1,526,940	120,081,150
Transfers (Out)	(1,467,408)	-	(91,797,674)	(1,156,714)	-	-	(25,759,724)	(120,181,520)
Issuance of Notes/Bonds Payable	1,472,860	138,261	-	-	-	-	2,229,512	3,840,633
Issuance of Leases and SBITAs	1,725,318	9,339	-	-	-	-	5,679	1,740,336
Total Other Financing Sources and (Uses)	118,983,966	147,600	(91,583,574)	(69,800)	-	-	(21,997,593)	5,480,599
Net Change in Fund Balances	(4,017,821)	299,021	3,027,763	2,446,295	2,615,761	25,832,013	15,282,070	45,485,102
Fund Balances - Beginning	115,175,953	22,766,796	18,092,205	20,343,461	7,185,462	143,065,459	175,231,941	501,861,277
Fund Balances - Ending	$ 111,158,132	$ 23,065,817	$ 21,119,968	$ 22,789,756	$ 9,801,223	$ 168,897,472	$ 190,514,011	$ 547,346,379

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

MARION COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 45,485,102
Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions ($138,865,023) exceeds depreciation ($69,171,880) in the current period. Total capital additions consist of capital expenditures of $136,773,824 and non-cash contributions of $2,091,199.		69,693,143
Special assessment revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,470,566
The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contributes to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Governmental funds report the effect of premiums and discounts when debt is first issued; whereas these amounts are recorded as part of the debt on the statement of net position, and amortized in the statement of activities The items that make up these differences in the treatment of long-term debt and related items are:		
Debt issued or incurred:		
Issuance of bonds	$ (3,840,633)	
Issuance of leases and SBITAs	(1,740,336)	
Principal repayments	7,460,100	
Allocation to interest expense on deferred charge on refunding	(218,074)	$ 1,661,057

Continued

MARION COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES - Continued
For the Year Ended September 30, 2025

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. These adjustments are as follows:		
Changes in compensated absences	$ (2,522,330)	
Gains / losses from lease and SBITA modifications	888,997	
Changes in accrued interest on long-term debt	(11,297)	(1,644,630)
Governmental funds report County pension contributions and OPEB benefit payments as expenditures. In the statement of activities, the cost of pension and OPEB benefits earned net of contributions and benefit payments is reported as pension and OPEB expense.		
Difference between pension contributions and net pension expense		14,287,690
Difference between OPEB benefit payments and net OPEB expense		(361,389)
In the statement of activities, only the loss on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold/disposed.		(3,534,326)
Under the modified accrual basis of accounting, revenues are recognized when both the measureable and available criteria have been met. Ambulance and housing assistance loan revenues earned in the current year were not recognized since the availability criteria was not met. Under full accrual accounting, all revenues would be recognized.		779,179
The internal service fund is used by management to charge the costs of risk management services to other funds. The net income of the internal service fund is reported with governmental activities.		(339,408)
Change in net position of governmental activities		$ 127,496,984

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

MARION COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND - COUNTY WIDE
For the Year Ended September 30, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual Amounts**	**Variance with Final Budget - Positive (Negative)**
REVENUES				
Taxes	$ 110,795,786	$ 110,795,786	$ 111,905,474	$ 1,109,688
Permits and Fees	1,425	1,425	2,475	1,050
Intergovernmental Revenues	59,287,746	61,588,781	57,797,359	(3,791,422)
Charges for Services	48,142,610	53,095,649	57,392,214	4,296,565
Judgments and Fines	2,361,550	2,411,344	2,461,009	49,665
Court-Related Revenues	6,594,174	8,171,574	8,546,789	375,215
Investment Income	5,963,406	6,063,406	6,911,553	848,147
Miscellaneous Revenues	10,819,906	16,669,031	6,988,984	(9,680,047)
Total Revenues	243,966,603	258,796,996	252,005,857	(6,791,139)
EXPENDITURES				
Current:				
General Government	118,074,491	118,155,359	63,405,123	54,750,236
Public Safety	248,683,610	254,440,461	241,685,537	12,754,924
Physical Environment	1,756,419	1,743,039	1,434,187	308,852
Transportation	1,834,759	1,834,759	1,597,448	237,311
Economic Environment	2,486,054	2,501,054	1,328,169	1,172,885
Human Services	28,157,457	35,014,943	19,564,232	15,450,711
Culture/Recreation	36,044,676	37,606,987	25,762,320	11,844,667
Court-Related	21,255,850	23,571,982	17,169,730	6,402,252
Debt Service:				
Principal Retirement	539,695	619,358	2,593,137	(1,973,779)
Interest and Fiscal Charges	47,202	21,702	467,761	(446,059)
Total Expenditures	458,880,213	475,509,644	375,007,644	100,502,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(214,913,610)	(216,712,648)	(123,001,787)	93,710,861
OTHER FINANCING SOURCES (USES)				
Transfers In	118,193,470	121,000,757	117,253,196	(3,747,561)
Transfers (Out)	(2,308,394)	(3,663,417)	(1,467,408)	2,196,009
Issuance of Notes/Bonds Payable	-	-	1,472,860	1,472,860
Issuance of Leases and SBITAs	-	-	1,725,318	1,725,318
Total Other Financing Sources and (Uses)	115,885,076	117,337,340	118,983,966	1,646,626
Net Change in Fund Balance	(99,028,534)	(99,375,308)	(4,017,821)	95,357,487
Fund Balance - Beginning	99,028,534	99,375,308	115,175,953	15,800,645
Fund Balance - Ending	$ -	$ -	$ 111,158,132	$ 111,158,132

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

MARION COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
COUNTY TRANSPORTATION MAINTENANCE
For the Year Ended September 30, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual Amounts**	**Variance with Final Budget - Positive (Negative)**
REVENUES				
Taxes	$ 14,270,675	$ 14,270,675	$ 15,718,864	$ 1,448,189
Special Assessments	-	-	40,219	40,219
Permits and Fees	580,000	580,000	1,232,414	652,414
Intergovernmental Revenues	14,397,131	16,948,579	4,509,814	(12,438,765)
Charges for Services	621,662	621,662	893,894	272,232
Investment Income	663,100	663,100	806,940	143,840
Miscellaneous Revenues	91,000	106,000	316,950	210,950
Total Revenues	30,623,568	33,190,016	23,519,095	(9,670,921)
EXPENDITURES				
Current:				
Transportation	51,778,248	54,344,696	23,291,455	31,053,241
Debt Service:				
Principal Retirement	-	-	69,332	(69,332)
Interest and Fiscal Charges	-	-	6,887	(6,887)
Capital Outlay	23,151,425	23,151,425	-	23,151,425
Total Expenditures	74,929,673	77,496,121	23,367,674	54,128,447
Excess (Deficiency) of Revenues Over (Under) Expenditures	(44,306,105)	(44,306,105)	151,421	44,457,526
OTHER FINANCING SOURCES (USES)				
Issuance of Notes/Bonds Payable	23,151,425	23,151,425	138,261	(23,013,164)
Issuance of Leases and SBITAs	-	-	9,339	9,339
Total Other Financing Sources (Uses)	23,151,425	23,151,425	147,600	(23,003,825)
Net Change in Fund Balance	(21,154,680)	(21,154,680)	299,021	21,453,701
Fund Balance - Beginning	21,154,680	21,154,680	22,766,796	1,612,116
Fund Balance - Ending	$ -	$ -	$ 23,065,817	$ 23,065,817

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

MARION COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MSTU FOR LAW ENFORCEMENT
For the Year Ended September 30, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual Amounts**	**Variance with Final Budget - Positive (Negative)**
REVENUES				
Taxes	$ 90,789,695	$ 90,789,695	$ 91,659,054	$ 869,359
Intergovernmental Revenues	-	718,614	744,556	25,942
Charges for Services	3,040,785	3,040,785	3,609,711	568,926
Judgments and Fines	-	40	-	(40)
Investment Income	1,567,880	1,567,880	1,849,235	281,355
Miscellaneous Revenues	4,940	545,227	464,213	(81,014)
Total Revenues	95,403,300	96,662,241	98,326,769	1,664,528
EXPENDITURES				
Current:				
Public Safety	109,404,923	110,877,964	3,715,432	107,162,532
Total Expenditures	109,404,923	110,877,964	3,715,432	107,162,532
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,001,623)	(14,215,723)	94,611,337	108,827,060
OTHER FINANCING SOURCES (USES)				
Transfers In	-	214,100	214,100	-
Transfers (Out)	(3,226,058)	(3,226,058)	(91,797,674)	(88,571,616)
Total Other Financing Sources (Uses)	(3,226,058)	(3,011,958)	(91,583,574)	(88,571,616)
Net Change in Fund Balance	(17,227,681)	(17,227,681)	3,027,763	20,255,444
Fund Balance - Beginning	17,227,681	17,227,681	18,092,205	864,524
Fund Balance - Ending	$ -	$ -	$ 21,119,968	$ 21,119,968

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

MARION COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FIRE, RESCUE, AND EMS
For the Year Ended September 30, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual Amounts**	**Variance with Final Budget - Positive (Negative)**
REVENUES				
Taxes	$ 27,781,522	$ 27,781,522	$ 28,065,879	$ 284,357
Special Assessments	35,885,409	35,885,409	38,056,044	2,170,635
Permits and Fees	182,400	182,400	140,877	(41,523)
Intergovernmental Revenues	113,388	573,029	1,168,871	595,842
Charges for Services	327,042	327,042	520,242	193,200
Judgments and Fines	3,800	3,800	165	(3,635)
Investment Income	1,447,800	1,447,800	1,771,139	323,339
Miscellaneous Revenues	38,950	38,950	60,885	21,935
Total Revenues	65,780,311	66,239,952	69,784,102	3,544,150
EXPENDITURES				
Current:				
Public Safety	83,619,092	83,990,164	66,964,452	17,025,712
Debt Service:				
Principal Retirement	241,452	241,452	290,174	(48,722)
Interest and Fiscal Charges	8,549	8,549	13,381	(4,832)
Total Expenditures	83,869,093	84,240,165	67,268,007	16,972,158
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,088,782)	(18,000,213)	2,516,095	20,516,308
OTHER FINANCING SOURCES (USES)				
Transfers In	1,086,914	1,086,914	1,086,914	-
Transfers (Out)	(1,056,344)	(1,156,714)	(1,156,714)	-
Total Other Financing Sources (Uses)	30,570	(69,800)	(69,800)	-
Net Change in Fund Balance	(18,058,212)	(18,070,013)	2,446,295	20,516,308
Fund Balance - Beginning	18,058,212	18,070,013	20,343,461	2,273,448
Fund Balance - Ending	$ -	$ -	$ 22,789,756	$ 22,789,756

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

MARION COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
AMERICAN RESCUE PLAN
For the Year Ended September 30, 2025

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental Revenues	$ 4,797,519	$ 6,647,519	$ 23,357,331	$ 16,709,812
Investment Income	1,536,150	1,536,150	2,025,737	489,587
Miscellaneous Revenues	-	475,765	-	(475,765)
Total Revenues	6,333,669	8,659,434	25,383,068	16,723,634
EXPENDITURES				
Current:				
General Government	10,409,023	10,409,023	1,743,098	8,665,925
Physical Environment	40,653,974	41,129,739	19,087,298	22,042,441
Transportation	1,712,571	1,712,571	-	1,712,571
Economic Environment	510,207	510,207	4,475	505,732
Human Services	3,084,948	4,934,948	1,932,436	3,002,512
Total Expenditures	56,370,723	58,696,488	22,767,307	35,929,181
Net Change in Fund Balance	(50,037,054)	(50,037,054)	2,615,761	52,652,815
Fund Balance - Beginning	50,037,054	50,037,054	7,185,462	(42,851,592)
Fund Balance - Ending	$ -	$ -	$ 9,801,223	$ 9,801,223

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

MARION COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities -
	Solid Waste	Marion County Utility	Totals	Internal Service Fund
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 12,289,384	$ 64,038,486	$ 76,327,870	$ 17,685,550
Restricted Assets Available for Current Liabilities	1,863,273	229,412	2,092,685	-
Investments	41,134,550	30,871,915	72,006,465	13,472,979
Accounts Receivable, Net of Allowance for Uncollectible Accounts	319,938	1,860,106	2,180,044	250,086
Accrued Interest Receivable	286,272	194,419	480,691	102,273
Leases Receivable - Current	-	163,991	163,991	-
Lease Interest Receivable	-	4,380	4,380	-
Due from Other Governments	939,217	12,905,334	13,844,551	-
Inventories	-	954,454	954,454	-
Prepaid Items	521	36,981	37,502	110,033
Leases Receivable	-	3,177,685	3,177,685	-
Total Current Assets	56,833,155	114,437,163	171,270,318	31,620,921
Noncurrent Assets:				
Restricted Assets:				
Renewal and Replacement	-	2,244,748	2,244,748	-
Landfill Escrow	21,396,855	-	21,396,855	-
Less: Portion Classified as Current	(1,863,273)	(229,412)	(2,092,685)	-
Total Restricted Assets	19,533,582	2,015,336	21,548,918	-
Prepaid Landfill Fee	13,039,405	-	13,039,405	-
Capital Assets:				
Land	5,196,896	8,035,570	13,232,466	-
Buildings	8,035,439	4,838,250	12,873,689	323,486
Improvements Other than Buildings	42,493,077	403,895,666	446,388,743	3,252,116
Machinery, Equipment, and Vehicles	13,624,471	11,507,906	25,132,377	33,792
Intangible Right to Use - Equipment	16,978	17,432	34,410	-
Intangible Right to Use SBITA	74,332	613,296	687,628	28,243
Construction in Progress	2,120,986	11,300,751	13,421,737	-
Less: Accumulated Depreciation	(49,525,438)	(214,347,447)	(263,872,885)	(140,799)
Total Capital Assets (Net)	22,036,741	225,861,424	247,898,165	3,496,838
Total Noncurrent Assets	54,609,728	227,876,760	282,486,488	3,496,838
Total Assets	111,442,883	342,313,923	453,756,806	35,117,759
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amount on Refunding	-	1,788,910	1,788,910	-
Deferred Outflows related to OPEB	67,491	118,399	185,890	7,246
Deferred Outflows related to Pensions	831,306	1,288,131	2,119,437	105,449
Total Deferred Outflows of Resources	$ 898,797	$ 3,195,440	$ 4,094,237	$ 112,695

Continued

MARION COUNTY, FLORIDA
STATEMENT OF NET POSITION - Continued
PROPRIETARY FUNDS
September 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Solid Waste	Marion County Utility	Totals	
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 1,144,086	$ 2,864,978	$ 4,009,064	$ 901,289
Contracts Payable	-	1,073,394	1,073,394	-
Accrued Liabilities	91,631	210,070	301,701	119,105
Compensated Absences Payable	105,961	213,312	319,273	10,703
Leases Payable Current	8,583	4,650	13,233	-
SBITA Payable Current	15,012	123,418	138,430	5,632
Notes from Direct Borrowings	-	2,624,940	2,624,940	-
Revenue Bonds Payable	-	3,960,000	3,960,000	-
Estimated Claims Payable	-	-	-	1,680,971
Total OPEB Liability - Current	15,679	28,789	44,468	1,708
Due to Other Funds	4,760	-	4,760	-
Due to Other Governments	2,251	106,091	108,342	5,790
Deposits	306	1,651,831	1,652,137	-
Future Connection Liability	-	648,669	648,669	-
Unearned Revenue	-	-	-	2,549,628
Current Liabilities Payable from Restricted Assets:				
Accrued Interest Payable	831	229,412	230,243	325
Landfill Closure Costs Payable	581,414	-	581,414	-
Remediation Costs Payable	1,281,028	-	1,281,028	-
Total Current Liabilities	3,251,542	13,739,554	16,991,096	5,275,151
Noncurrent Liabilities:				
Compensated Absences Payable	423,848	853,248	1,277,096	42,812
Net Pension Liability	2,816,341	4,467,900	7,284,241	358,149
Estimated Claims Payable	-	-	-	6,723,885
Total OPEB Liability - Noncurrent	337,895	508,232	846,127	28,286
Unearned Revenue, Connection Fees	-	1,541,133	1,541,133	-
Notes from Direct Borrowings	-	19,690,371	19,690,371	-
Leases Payable Long Term	2	7,080	7,082	-
SBITA Payable Long Term	15,426	127,945	143,371	5,920
Revenue Bonds Payable	-	35,230,000	35,230,000	-
Landfill Closure Costs Payable	37,027,178	-	37,027,178	-
Remediation Costs Payable	1,639,661	-	1,639,661	-
Total Noncurrent Liabilities	42,260,351	62,425,909	104,686,260	7,159,052
Total Liabilities	45,511,893	76,165,463	121,677,356	12,434,203
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows related to OPEB	84,766	141,204	225,970	10,251
Deferred Inflows related to Leases	-	3,047,107	3,047,107	-
Deferred Inflows related to Pensions	396,707	797,849	1,194,556	63,513
Total Deferred Inflows of Resources	481,473	3,986,160	4,467,633	73,764
NET POSITION				
Net Investment in Capital Assets	21,852,572	163,415,218	185,267,790	2,583,997
Restricted:				
Capital Projects	-	2,244,748	2,244,748	-
Unrestricted	44,495,742	99,697,774	144,193,516	20,138,490
Total Net Position	$ 66,348,314	$ 265,357,740	$ 331,706,054	$ 22,722,487

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

MARION COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Solid Waste	Marion County Utility	Total	
Operating Revenues:				
Charges for Services	$ 20,891,613	$ 37,708,265	$ 58,599,878	$ 53,630,757
Miscellaneous Revenues	2,835	3,314,948	3,317,783	4,608,935
Total Operating Revenues	20,894,448	41,023,213	61,917,661	58,239,692
Operating Expenses:				
Personal Services	4,583,678	9,856,907	14,440,585	688,751
Contracted Services	12,507,333	1,941,458	14,448,791	61,162
Supplies and Materials	949,256	2,385,560	3,334,816	29,480
Repairs and Maintenance	1,214,754	2,646,745	3,861,499	3,402
Other Services and Charges	3,519,196	4,418,161	7,937,357	555,885
Depreciation	2,199,235	17,848,713	20,047,948	25,315
Provision for Closure and Long Term Care	876,369	-	876,369	-
Provision for Pollution Remediation	(48,216)	-	(48,216)	-
Premiums/Claims Expense	364,561	1,151,205	1,515,766	58,709,496
Total Operating Expenses	26,166,166	40,248,749	66,414,915	60,073,491
Operating Income (Loss)	(5,271,718)	774,464	(4,497,254)	(1,833,799)
Nonoperating Revenues (Expenses):				
Grants	1,134,639	10,595,026	11,729,665	-
Investment Income	3,422,950	3,701,412	7,124,362	1,394,662
Lease Revenue	-	214,782	214,782	-
Lease Interest Income	-	80,953	80,953	-
Interest and Fiscal Charges Expense	(1,123)	(1,236,870)	(1,237,993)	(433)
Gain (Loss) on Disposal of Capital Assets	24,491	92,023	116,514	(208)
Total Nonoperating Revenues (Expenses)	4,580,957	13,447,326	18,028,283	1,394,021
Income (Loss) Before Transfers and Contributions	(690,761)	14,221,790	13,531,029	(439,778)
Transfers In	-	-	-	100,370
Capital Contributions	-	13,707,706	13,707,706	-
Water Connection Fees	-	4,772,438	4,772,438	-
Waste Water Connection Fees	-	5,471,281	5,471,281	-
Capital Grants	-	9,327,345	9,327,345	-
Change in Net Position	(690,761)	47,500,560	46,809,799	(339,408)
Total Net Position - Beginning, Originally Reported	67,200,537	218,190,925	285,391,462	23,078,568
Restatement	(161,462)	(333,745)	(495,207)	(16,673)
Total Net Position - Beginning, as Restated	67,039,075	217,857,180	284,896,255	23,061,895
Total Net Position - Ending	$ 66,348,314	$ 265,357,740	$ 331,706,054	$ 22,722,487

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

MARION COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETY FUNDS
For the Year Ended September 30, 2025

	Business-type - Enterprise Funds			
	Solid Waste	Marion County Utility	Total	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 20,931,653	$ 41,059,052	$ 61,990,705	$ 57,501,665
Payments to Suppliers	(16,738,414)	(14,284,794)	(31,023,208)	(59,117,225)
Payments to Employees	(4,554,597)	(9,788,899)	(14,343,496)	(602,889)
Net Cash Provided (Used) by Operating Activities	(361,358)	16,985,359	16,624,001	(2,218,449)
Cash Flows from Noncapital Financing Activities				
Transfers to Other Funds	-	-	-	-
Transfers from Other Funds	-	-	-	100,370
Subsidy from Federal/State Grants	201,691	(511,278)	(309,587)	-
Net Cash Provided by Noncapital Financing Activities	201,691	(511,278)	(309,587)	100,370
Cash Flows from Capital and Related Financing Activities				
Grants Received for Capital Purposes	-	9,327,345	9,327,345	-
Water Connection Fees	-	4,706,078	4,706,078	-
Waste Water Connection Fees	-	5,471,281	5,471,281	-
Acquisition/Construction of Capital Assets	(1,861,676)	(26,612,582)	(28,474,258)	(2,337,972)
Principal Paid on Capital Debt	(40,555)	(6,631,344)	(6,671,899)	(5,488)
Interest Paid on Capital Debt	(1,924)	(1,040,897)	(1,042,821)	(587)
Proceeds from Leasing Activities	-	236,828	236,828	-
Proceeds from Refunding Bond	-	-	-	-
Proceeds from Note	-	-	-	-
Proceeds from Disposal of Capital Assets	32,569	92,357	124,926	83,943
Net Cash (Used) by Capital and Related Financing Activities	(1,871,586)	(14,450,934)	(16,322,520)	(2,260,104)
Cash Flows from Investing Activities				
(Purchase) of Investments	(5,669,459)	(7,198,893)	(12,868,352)	(570,458)
Interest Received	3,432,917	3,708,065	7,140,982	1,398,288
Net Cash Provided (Used) by Investing Activities	(2,236,542)	(3,490,828)	(5,727,370)	827,830
Net Increase (Decrease) in Cash and Cash Equivalents	(4,267,795)	(1,467,681)	(5,735,476)	(3,550,353)
Cash and Cash Equivalents at Beginning of Year	37,954,034	67,750,915	105,704,949	21,235,903
Cash and Cash Equivalents at End of Year	$ 33,686,239	$ 66,283,234	$ 99,969,473	$ 17,685,550
Cash and Cash Equivalents Classified As:				
Current Assets	$ 12,289,384	$ 64,038,486	$ 76,327,870	$ 17,685,550
Current Restricted Assets	1,863,273	229,412	2,092,685	-
Noncurrent Restricted Assets	19,533,582	2,015,336	21,548,918	-
Total Cash and Cash Equivalents	$ 33,686,239	$ 66,283,234	$ 99,969,473	$ 17,685,550

Continued

MARION COUNTY, FLORIDA
STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds			
	Solid Waste	Marion County Utility	Total	Governmental Activities - Internal Service Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	$ (5,271,718)	$ 774,464	$ (4,497,254)	$ (1,833,799)
Depreciation and Amortization	2,199,235	17,848,713	20,047,948	25,315
Provision for Closure and Postclosure	876,369	-	876,369	-
Provision for Pollution Remediation	(48,216)	-	(48,216)	-
Pensions Related Deferred Outflows	190,845	442,582	633,427	24,969
OPEB Related Deferred Outflows	(21,469)	(39,421)	(60,890)	(2,339)
Pensions Related Deferred Inflows	194,922	452,032	646,954	25,499
OPEB Related Deferred Inflows	(11,273)	(20,701)	(31,974)	(1,228)
Provision for Net Pension Liability	(528,013)	(1,224,486)	(1,752,499)	(69,072)
Provision for Other Postemployment Benefits	37,239	68,382	105,621	4,058
Change in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	37,205	(109,176)	(71,971)	27,015
(Increase) Decrease in Prepaids	2,126,784	256,500	2,383,284	(110,033)
(Increase) Decrease in Due from Other Funds	-	-	-	-
(Increase) Decrease in Due from Other Governments	-	-	-	-
(Increase) Decrease in Inventories	-	(75,100)	(75,100)	-
Increase (Decrease) in Accounts Payable	(174,633)	(1,343,007)	(1,517,640)	-
Increase (Decrease) in Contracts Payable	-	(272,070)	(272,070)	-
Increase (Decrease) in Accrued Liabilities	3,860	29,565	33,425	84,453
Increase (Decrease) in Due to Other Governments	(396)	13,624	13,228	215
Increase (Decrease) in Due to Other Funds	2,680	-	2,680	-
Increase (Decrease) in Customer Deposits	-	145,015	145,015	-
Increase (Decrease) in Unearned Revenue	-	-	-	(765,042)
Increase (Decrease) in Compensated Absences	25,221	38,443	63,664	1,409
Increase (Decrease) in Claims Payable	-	-	-	370,131
Total Adjustments	4,910,360	16,210,895	21,121,255	(384,650)
Net Cash Provided (Used) by Operating Activities	$ (361,358)	$ 16,985,359	$ 16,624,001	$ (2,218,449)

The County had the following noncash transactions.

The Marion County Utility had capital contributions of $11,893,132. The Solid Waste Fund had $16,979 in lease additions.

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

MARION COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
September 30, 2025

	Total Custodial Funds
ASSETS	
Cash and Cash Equivalents	$ 29,586,147
Accounts Receivable	506,467
Due From Individuals	77,009
Due From Other Governments	1,166,780
	31,336,403
LIABILITIES	
Accounts Payable	5,378
Due to Other Governments	3,418,074
Due to Individuals	10,665
	3,434,117
NET POSITION	
Restricted for Individuals, Organizations and Other Governments	$ 27,902,286

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

MARION COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2025

	Total Custodial Funds
ADDITIONS	
Amounts Collected for Fines and Fees	$ 60,985,702
Amounts Collected for Courts	17,218,131
Amounts Collected for Tax Deed and Foreclosure Sales	21,433,158
Property Taxes and Fees Collected for Governments	326,626,824
Property Taxes and Fees Collected for Individuals	37,004,922
Tourist Development Taxes Collected	-
License and Tag Fees Collected	47,851,049
Individual Contributions	2,864,908
Other Taxes and Fees Collected	702
Total Additions	513,985,396
DEDUCTIONS	
Payments to Other Governments	60,858,426
Payments to Other Funds	1,824,082
Property Taxes and Fees Distributed	326,552,497
Tourist Development Taxes Distributed	14,546
License and Tag Fees Distributed	47,914,590
Payments to Other Entities	-
Payments to Individuals	74,819,315
Total Deductions	511,983,456
Change in Fiduciary Net Position	2,001,940
NET POSITION - BEGINNING OF YEAR	25,900,346
NET POSITION - END OF YEAR	$ 27,902,286

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

MARION COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

INDEX TO NOTES

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Marion County, Florida (the "County") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant County accounting policies are described below.

A. Reporting Entity

The County is a political subdivision of the State of Florida established by the Constitution of the State of Florida, Article VIII, Section 1(e). It is governed by an elected Board of County Commissioners (the "Board") which is governed by state statutes and regulations. In addition to the Board, there are five elected Constitutional Officers: Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Constitutional Officers maintain separate accounting records and budgets. The Board funds a portion or, in certain instances, all of the operating budgets of the County's Constitutional Officers. The General Funds of the Constitutional Officers are consolidated as part of the County General Fund, and other funds of the Constitutional Officers are presented as either special revenue funds or custodial funds as appropriate within the County's financial statements.

As required by GAAP, the financial reporting entity consists of (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The County is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, County management examined all organizations which were legally separate in order to determine which organizations, if any, should be included in the County's financial statements. Management determined that the Marion County Community Redevelopment Agency, the Rainbow Lakes Estates Municipal Services District, and the Marion County Housing Finance Authority were the only organizations that should be included in the County's financial statements as component units.

1. Blended Component Units

Marion County Community Redevelopment Agency – The Marion County Community Redevelopment Agency (CRA) was created pursuant to Chapter 163.356, Florida Statutes, County Ordinance 13-14, and County Resolution 13-R-169. The Marion County Board of County Commissioners serves as the CRA Board and has operational responsibility for the CRA. Although legally separate, the CRA is appropriately blended as a governmental fund type component unit into the primary government. Pursuant to Chapter 163.387, Florida Statutes and County Ordinance 13-15, the Silver Springs Community Redevelopment Area Trust Fund was established to account for the designated redevelopment program in accordance with the Silver Springs Redevelopment Plan. This CRA is presented as a special revenue fund, and separate financial statements for the CRA are available at the County Clerk's office.

Rainbow Lakes Estates Municipal Services District – The Rainbow Lakes Estates Municipal Services District was created under the laws of Florida, Chapter 69-1298 and Marion County Code Sections A5-1 through A5-7. The Marion County Board of County Commissioners acts as the governing authority of the district, thus having significant influence over their operations and fiscal management and has operational responsibility for the district. The taxing district is reported as a special revenue fund. Separate financial statements for the Rainbow Lakes Estates Municipal Services District are available at the County Clerk's office.

2. Discretely Presented Component Unit

Marion County Housing Finance Authority – The Marion County Housing Finance Authority was established under Florida Statutes, Section 159.601, and Marion County Code Sections 2-96 through 2-101. The Board does not maintain budgetary control over the operating costs of the Marion County Housing Finance Authority. However, the Board is financially accountable for the activities of the Marion County Housing Finance Authority since the Board both (a) appoints a voting majority of the Authority's governing body, and (b) has the ability to impose its will by removing voting members of the Authority's governing body. Therefore, the Marion County Housing Finance Authority is included as a discretely presented component unit of the reporting entity. Separate financial statements for the Marion County Housing Finance Authority are available and can be requested by letter to Post Office Box 3102, Ocala, Florida 34478.

3. Related Organizations

The County is responsible for appointing members of boards to other organizations but is not accountable for these organizations. The following related organizations are not included in the reporting entity:

i. Marion County Hospital District

ii. Marion County Industrial Development Authority

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses and indirect costs of a given function, or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Indirect Expenses* are those costs that are allocated to functions and activities in accordance with the County's adopted indirect cost allocation plan. Interfund services provided and used are not eliminated in the process of consolidation. The "Expenses" column includes both direct and indirect expenses. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

1. Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

2. Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Receivables collected after 60 days are reported as deferred inflows of resources until the revenue becomes available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

Major funds are determined at the fund level. Non major governmental funds are combined for financial reporting purposes.

The County reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund includes the Board of County Commissioners, Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.

- The *County Transportation Maintenance Fund* is a special revenue fund, created pursuant to Section 129.02, Florida Statutes, to account for transportation related revenues and expenditures. The primary revenues sources are gas taxes (one cent voted, 6th cent local, and 7th cent county) which are used to fund the activities of the Transportation Department.

- The *MSTU for Law Enforcement Fund* is a special revenue fund, created pursuant to Section 125.01, Florida Statutes, to account for the costs of providing the Sheriff's patrol and criminal investigation division services to a geographic area encompassing nearly all of the unincorporated areas of the County. The primary source of funding for this service is ad valorem taxes levied on the areas established by the taxing unit.

- The *Fire, Rescue and EMS Fund* is a special revenue fund created by the Board pursuant to Section 125.01, Florida Statutes, to account for the provision of fire protection, rescue services and emergency medical services to those portions of the unincorporated area of the County for which these activities are not otherwise provided. The primary sources of revenue in this fund are generated through the levy and collection of a special per-parcel assessment levied only in the covered area, and a levy of ad valorem tax within the areas of Marion County.

- The *American Rescue Plan Fund* is a special revenue fund used to account for the County's Coronavirus State and Local Fiscal Recovery Funds federal assistance programs and related expenditures.

- The *Infrastructure Surtax Capital Projects Fund* is a capital project fund created by the Board to account for the proceeds from the one percent infrastructure surtax and related expenditures.

The County reports the following major enterprise funds:

- The *Solid Waste System Fund* accounts for the fiscal activity of all solid waste disposals within the County.

- The *Marion County Utility Fund* accounts for the fiscal activity of providing water and wastewater services to residential and commercial customers countywide.

Additionally, the County reports the following fund types:

- *Special Revenue Funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

- *Debt Service Funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt Service funds are also used to report resources if legally mandated, and financial resources that are being accumulated for principal and interest maturing in future years.

- *Capital Projects Fund*s are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital outlay. Capital Project funds exclude capital-related outflows financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments.

- The *Internal Service Fund* accounts for the activities of the County's risk management program. Activities include amounts collected and the claims paid for the County's workers' compensation, property, general liability, and prescription medicine self-insurance, as well as to account for the premiums received and disbursed to a third party insurer for the County employees' major medical, disability income, and life insurance.

- *Custodial Funds* are custodial in nature, and are therefore, excluded from the government-wide financial statements. These funds are used to account for assets held by the County as custodian for individuals, private organizations and other governments. The resources include fines, forfeitures and filing fees collected for other governmental agencies, child support payments, jury and witness services, posted bonds collected for individuals, prisoner's funds, confiscated monies held as evidence, Sheriff's fees for serving papers, property taxes and fees for licenses.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the

County's enterprise funds and of the County's internal service fund are charges to customers for sales and services. Included in Solid Waste charges for service are non ad valorem assessments for landfill fees. Operating expenses for enterprise funds and internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources, as they are needed for their intended purposes.

D. Budgetary Requirements

The following procedures are utilized by the County in establishing and/or amending the budgetary information contained in the financial statements:

1) On or before June 1 of each year, the Clerk of the Circuit Court and Comptroller (the "Clerk"), Sheriff, Supervisor of Elections and Tax Collector each submit a proposed operating budget for the ensuing fiscal year to the Board.
2) The proposed operating budget of the Property Appraiser must be presented to the Board on or before June 1 of each year and is simultaneously submitted by the Property Appraiser to the State of Florida, Department of Revenue, from which the final approval of the budget of the Property Appraiser must emanate.
3) On or before July 15 of each year, or within 15 days after the receipt of certified taxable property values from the Property Appraiser, whichever occurs last, the Clerk, as Clerk to the Board (and Budget Officer), presents to the Board a proposed budget for the fiscal year commencing the following October 1. Pursuant to the provisions of Section 129.01, Florida Statutes, the proposed budgets as submitted contain balanced statements of estimated revenues (including unexpended fund balances to be carried forward) and proposed appropriations for each fund required to be presented by law or by sound financial practices, including the general, special revenue, debt service, and capital projects funds.
4) Following a preliminary review of the proposed budgets by the Board, whose members make such changes as are deemed necessary (provided that the proposed budget for each fund remains balanced), the Board causes a notice of proposed property taxes to be mailed to each County property taxpayer. Included in the notice is a statement of the Board's intent to hold a public hearing to consider adoption of the tentative millage rates and budgets, as well as a comparison of the taxpayer's proposed property tax bill with the actual tax bill of the preceding year.
5) Following successful completion of the above referenced public hearings, the Board advertises and subsequently conducts a second public hearing to finally adopt a millage rate and budget for each of the taxing entities under their jurisdiction. These public hearings are ordinarily held prior to October 1 each year. If, however, for some reason the Board is unable to finally adopt a budget prior to October 1, state law permits the readoption by resolution of the budget of the preceding year as an interim measure.
6) Pursuant to the provisions of Section 129.07, Florida Statutes, the Board is prohibited from expending or contracting for the expenditure of any amount in excess of the total amount budgeted in any fund. It is, however, legally permissible at the present time for the budgets of individual departments included within a particular fund to be over expended in total without requiring mandatory action by either the Board, the Clerk, as Clerk to the Board (and Budget Officer), or the County Administrator. Transfers of appropriate amounts between funds require approval of the Board.
7) Subsequent to final adoption of the budget by the Board, changes to the budget, as enacted, may be made when revenues not anticipated in the original budget are received that management wishes to appropriate during the current fiscal year, resulting in an increase to the total appropriations of a fund. All other changes to total fund appropriations may only be made through adoption of a budget ordinance or resolution following a public hearing.
8) Adoption and execution of the budgets are governed in accordance with applicable provisions of the Florida Statutes.
9) Formal budgetary integration at the object level is used as a management control device for all governmental funds of the County for which annual budgets are adopted, including the general, special revenue, debt

service, and capital projects funds. Pro forma project length budgets are provided to the Board for certain capital projects for informational purposes only. The level at which expenditures may not legally exceed appropriations is the fund level. For instances when the expenditures exceed the appropriation, there would be corresponding increase in unbudgeted revenue.

10) Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.
11) All appropriations lapse at the end of each fiscal year, although the County expects to honor purchase orders and contracts in process, subject to authority provided in the subsequent year's budget.

E. Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit counties to levy property taxes at a rate of up to 10 mills for countywide purposes and an additional 10 mills for non-countywide purposes for municipal services with such additional 10 mills limit inclusive of municipal service levies of other local government entities.

The tax levy of the County is established by the Board prior to October 1 of each year and the Tax Collector incorporates the millages into the total tax levy, which includes the municipalities, independent districts and the County School Board tax requirements and produces the tax bill.

All property is reassessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. Taxes paid in March are without discount.

On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Delinquent taxes on real property bear interest at 18% per year or as bid in a public sale of tax certificates. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County. Delinquent taxes on personal property bear interest at 18% per year until the tax is satisfied either by seizure and sale of the property or by the seven-year statute of limitations.

The County does not accrue its portion of the County-held tax sale certificates or personal property tax warrants because such amounts are not considered to be material.

Key dates in the property tax cycle for the fiscal year ended September 30, 2025 are as follows:

Assessment Roll certified	June 2024
Beginning of fiscal year for which taxes are being levied	October 2024
Property taxes levied	October 2024
Tax bills issued	November 1, 2024
Property taxes due by:	
For maximum discount	November 30, 2024
Delinquent after	March 31, 2025
Tax certificates (liens) sold on unpaid property taxes	No later than June 1, 2025

F. Tax Abatements

GASB Statement No. 77, *Tax Abatement Disclosures* requires disclosure of tax abatement information about the County's tax abatement agreements and those entered by other governments that reduce the County's tax revenues. The County has evaluated this statement and has determined no agreements currently meet the criteria to be disclosed.

G. Interfund Payables, Receivables, and Transactions

Unpaid amounts of interfund transactions at year end are reflected as “due from other funds” or “due to other funds” in the related fund financial statements. Noncurrent portions of interfund payables and receivables are reported as advances. In governmental funds, advances are offset equally by nonspendable fund balance unless the advanced funds are restricted or committed.

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it, which are applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund, and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

H. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include equity in pooled cash, cash on hand, demand deposit accounts and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased.

I. Equity in Pooled Cash

The Board maintains a pooled cash fund which allows the various funds of the Board to pool monies for investment purposes. The Board maintains records to identify the equity of each fund investing in the pool as well as amounts borrowed from the pool. Investment earnings of the pool are recorded as earned and are allocated to the participating funds based on the respective funds average daily balance. The equity in pooled cash consists of cash which can be liquidated without penalty or delay.

J. Investments

The County’s investments include U.S. Treasuries, Federal Instrumentalities, Corporate Notes/Obligations, Money Market Funds, and Municipal Obligations. Investments with a maturity greater than five and a half (5.50) years when purchased require the Clerk’s approval prior to purchase. All investments are carried at fair value except Federated Money Market Fund, which is reported at amortized cost.

K. Inventories and Prepaid Items

Inventories are valued at cost, which approximates market value, using the first-in/first-out (FIFO) method. Annual inventory expenditures reflect supplies consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These payments are recorded as expenditures or expenses when consumed rather than when purchased.

L. Restricted Assets

The use of certain assets of enterprise funds and debt service funds are restricted by specific provisions of bond resolutions. Assets so designated are identified as restricted assets on the statement of net position and balance sheet since their use is limited.

M. Utility Receivables

Utility receivables are shown net of allowance for uncollectible accounts. Utility accounts receivable in excess of 120 days comprise the utility accounts receivable allowance for uncollectible accounts. Water and wastewater operating revenues are generally recognized on the basis of cycle billings rendered monthly. The receivables at the end of the fiscal year include an allowance for uncollectible accounts in the amount of $1,619,359.

N. Special Assessment Receivables

The Board imposes special assessments against property located within specified areas, as set forth in the Assessment Resolution, for the construction of improvements. The assessment of each parcel is based upon either the lineal feet of frontage along the areas to be improved or per lot. The assessments will be collected on the ad valorem tax bill, as authorized by Section 197.3632 of the Florida Statutes.

MARION COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

O. Ambulance Receivables

Marion County Fire Rescue provides ground-based ambulance services, as well as basic and advanced life support services to the citizens of Marion County. The receivable for ambulance services at the end of the fiscal year includes an allowance for uncollectible accounts in the amount of $4.18 million.

P. State Housing Initiative Partnership (SHIP) Loan Receivables

In accordance with the Marion County SHIP Local Housing Assistance Plan, Marion County’s Demolition and Reconstruction Loan Program is designed to replace existing uninhabitable or dilapidated structures for homeowners that do not have alternative housing or financial resources to alleviate the situation. Marion County provides interest free loans to qualifying low income applicants, with equal monthly payments of the principal loan balance amortized for 30 years.

Q. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Property and equipment with initial, individual costs that equal or exceed $5,000 and estimated useful lives of over one year are recorded as capital assets. Buildings and improvements with initial, individual costs that equal or exceed $50,000 are recorded as capital assets. For lease right-to-use intangible assets, the County capitalizes when the lease liability is $5,000 or greater. Capital assets are recorded at historical cost or estimated historical cost if constructed. Donated capital assets are recorded at acquisition value at the date of donation. Attractve items are tangible personal property with cost under the capitalization threshold that require special attention to ensure legal compliance, protect public safety, and/or have a heightened risk of theft. These attractive items are recorded as property for inventory purposes in the County's internal records, and are evaluated annually in accordance with Florida Administrative Code 69I-73.

Infrastructure assets are reported on a network and sub-system basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount. The historical cost for the initial reporting of these assets was obtained through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As more capital assets are acquired or constructed, they are capitalized and reported at the historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital Assets are depreciated over their estimated useful lives unless they are inexhaustible or are intangible assets with indefinite useful lives. The term depreciation (and related forms of the term) includes amortization of intangible assets. Property, plant, equipment and computer software are depreciated/amortized using the straight line method over the following estimated useful lives:

Buildings and Improvements	10-50 Years
Landfill and Water/Sewer Structures	10-50 Years
Machinery, Equipment and Vehicles	3-10 Years
Computer Software	5 Years
Right-to-use Intangible assets	3-20 Years
Infrastructure	15-50 Years

R. Compensated Absences

The County's reporting of accumulated unused compensated absences has been recorded in accordance with GASB Statement No. 101. A liability is accrued for an employee’s rights to receive compensation for future absences when certain conditions are met. In general, it is the County’s policy to grant all permanent full-time and part-time employees leave based upon the number of years of employment. Employees are encouraged to use their annual leave in the year that it is earned. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for this amount is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

S. Landfill Closure Costs

The Board recognizes municipal solid waste landfill closure and postclosure care costs under the State of Florida's Solid Waste Management Act of 1988, regulations of the Federal Environmental Protection Agency, and the Governmental Accounting Standards Board Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*. The Board is required to place a final cover on closed landfills and to provide long-term care for up to thirty years after final cover. These obligations for closure and postclosure are recognized in the enterprise fund for the County's landfill operations over the active life of the landfill, based on landfill capacity used to date.

T. Long-Term Liabilities

Long-term liabilities which are expected to be financed from governmental funds are accounted for as debt service expenditures in related funds. For proprietary fund types, long-term debt and other obligations are reported as liabilities in the fund financing the obligation.

U. Leases and Subscription-based Information Technology Arrangements (SBITA) Liability

The County enters into many noncancelable leases for the right to use land, equipment and facilities throughout its operations. When the County is the lessee, the contracts result in recognition of a right-to-use intangible asset that is offset by a corresponding lease liability. When the County is the lessor, the contracts result in recognition of a lease receivable and corresponding deferred inflows of resources. The County is the user of subscription-based software throughout its operations. A SBITA results in recognition of a right-to-use intangible asset that is offset by a corresponding SBITA liability. Lease and SBITA intangible assets are reported with capital assets and lease and SBITA liabilities are reported with long-term liabilities on the government-wide and proprietary fund financial statements.

At commencement of a lease when the County is the lessee, the County initially measures the lease liability at present value of total payments over the lease term. The lease asset is measured as the value of the lease liability, adjusted for any prepayments, plus certain initial direct costs. At commencement of a lease when the County is the lessor, the County measures the lease receivable at the present value of expected rental receipts over the lease term. The deferred inflow of resources is measured as the initial amount of the lease receivable, adjusted for prepayments received prior to the lease commencement.

Similarly, at commencement of a SBITA, the County initially measures the SBITA liability at present value of total payments over the subscription term. The SBITA asset is measured as the value of the SBITA liability plus certain development costs.

Estimates and judgments are sometimes made when determining the discount rate and overall term of leases and SBITAs. The County monitors these agreements for significant changes in circumstances that warrant a remeasurement of the lease and/or SBITA liability and associated intangible asset, and/or lease receivable and associated deferred inflow of resources.

V. Net Pension Liability

In the government-wide and proprietary fund statements, the net pension liability represents the County's proportionate share of the net pension liability of the cost-sharing pension plans in which it participates. This liability represents a share of the present value of projected benefit payments to be provided through the cost-sharing plans, less the amount of the cost-sharing plans' fiduciary net position. The County participates in both the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy Program (HIS) defined benefit plan administered by the Florida Division of Retirement. The County allocated the net pension liability, deferred outflows for pensions, deferred inflows for pensions, and pension expense to funds and functions/activities based on their respective contributions made to the pension plans for that fiscal year.

W. Unearned Revenues

Unearned revenues in governmental funds represent funds for programs continuing into the next year. Unearned revenues reported on applicable proprietary fund types represent revenues for connection fees and other

revenues received in advance. The unearned revenues will be recognized as revenue in the fiscal year in which customer connections are made to the County utility system and other items are earned.

X. Self-Insurance Claims

Liabilities for reported claims and incurred but not reported claims are estimated based on an actuarial review of historical experience and claims pending against the County.

Y. Grants Revenues

Program and capital grants received by governmental funds are recorded in the applicable governmental fund as receivables and revenues at the time reimbursable costs are incurred and all significant grant restrictions are satisfied. Grant revenues received in advance of meeting all major grant restrictions are reported as unearned or advanced.

Z. Deferred Outflows and Deferred Inflows of Resources

In addition to assets and liabilities, the County reports the financial statement elements of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expenditure or expense) until that applicable time. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that applicable time.

The County reports three items that qualify as deferred outflows of resources on its government-wide and proprietary statements of net position, the deferred amount on refunding, deferred outflows for OPEB and deferred outflows for pensions. The deferred amounts on refunding resulted from debt refinancing whereby the reacquisition price of the refunding debt instruments exceeded their net carrying amount. This deferred amounts on refunding are systematically charged to interest expense over the life of the refunding debt. The deferred outflows for OPEB are an aggregate of items related to OPEB as calculated in accordance with GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pension*. The deferred outflows for pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statements No. 68, *Accounting and Financial Reporting for Pensions* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. This deferred outflows for OPEB and pensions will be recognized as pension expense or a reduction of the net OPEB or pension liabilities in future reporting years.

The County reports three items that qualify as deferred inflows of resources on its government-wide and proprietary statements of net position, deferred inflows for leases, deferred inflows for OPEB and deferred inflows for pensions. The deferred inflows for OPEB are an aggregate of items related to OPEB as calculated under the same principles as the deferred outflows for OPEB. The deferred inflows for pensions are an aggregate of items related to pensions as calculated under the same principles as the deferred outflows for pensions. Both will be recognized as a reduction to OPEB or pension expense in future reporting years. Deferred inflows for leases offset the lease receivable and will result in inflows of rental and interest income in future periods.

The County also reports deferred inflows of resources on applicable governmental fund statements that represent revenues which are measurable but not available, in accordance with the modified accrual basis of accounting. These deferred inflows will be recognized as revenue in the fiscal year they are earned or become available. The majority of these deferred inflows of resources represent special assessment liens, ambulance revenues, lease revenues, and grant funds.

AA. Fund Balance Reporting and Governmental Fund-Type Definitions

The County implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. The change in the governmental fund type definition resulted in the re-classifying of certain special revenue funds to the general fund for reporting purposes. The Board of County Commissioners is the County's highest level of decision-making authority.

Governmental fund balances are classified either as nonspendable or spendable. Spendable fund balances are further classified below nonspendable in a hierarchy based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

Nonspendable fund balance - include amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. Nonspendable governmental fund balances at yearend are for inventories and prepaid items.

Restricted fund balance – include amounts that can be spent only for the specific purposes stipulated by external resources providers either constitutionally or thru enabling legislation. Examples include grants and impact fees.

Committed fund balance – include amounts that can only be used for the specific purpose determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action of an Ordinance approved by the Board at the County's regular meeting that imposed the constraint originally.

Assigned fund balance – include amounts intended to be used by the government for specific purposes. Currently, the Board has not officially designated anyone with the authority to assign fund balance to a specific purpose as approved by the fund balance policy. Currently, only the Board has the authority to assign fund balance through action other than ordinance. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that the resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned fund balance – is the residual classification of the general fund only. Unassigned amounts are technically available for any purpose in the general fund. Deficit fund balances in other governmental funds are also classified as unassigned.

It is the County's goal to maintain an adequate general fund unassigned fund balance to provide liquidity to meet seasonal shortfalls in cash flow and reduce susceptibility to emergency or unanticipated expenditures and/or revenue shortfalls. It is the goal of the County to maintain an unassigned fund balance in the general fund sufficient to cover 20% of recurring expenditures, excluding constitutional officers, capital outlay, debt service, and grant funded expenditures. If at the end of any fiscal year the actual amount of unassigned fund balance falls below the targeted levels, the Board shall prepare and submit in conjunction with the proposed budget a plan for budget adjustments necessary to restore the minimum requirements.

When multiple categories of fund balance are available for expenditures, the County will start with the most restricted category in its order of use (restricted resources are used first, followed by committed resources, followed by assigned resources). Unassigned fund balance is used when expenditures are incurred for purposes which amounts in any classification could be used.

AB. Net Position

In accordance with GAAP, net position of proprietary funds, governmental activities and business-type activities are made up of three components. *Net investment in capital assets* represents net capital assets less related long-term liabilities, where unspent debt proceeds increase this amount. *Restricted net position* represents assets that are legally restricted for specific purposes. They include bond sinking and reserve funds, special revenues restricted by statute, ordinance, and bond proceeds and other sources restricted for capital projects or improvements. The balance of net position is considered *unrestricted net position.*

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Cash and Cash Equivalents

At September 30, 2025, the County's carrying value of cash and cash equivalents totaled $535,038,007, which is presented as $505,451,860 in the statement of net position and $29,586,147 in the statement of fiduciary net position, and is made up of the items following in this paragraph and subsequent paragraph. The carrying amount of the County's cash deposit accounts was $116,145,808. Cash with a fiscal agent totaled $365,744. The County's cash deposits are held by a bank that qualifies as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes. The County's cash deposits are fully insured by the Public Deposits Trust Fund. Additionally, funds are placed with the State Board of Administration (SBA) for participation in the Local Government Surplus Funds Trust Fund (Florida Prime Investment Pool), created by Section 218.405, Florida Statutes. This investment pool operates under investment guidelines established by Section 215.47, Florida Statutes. Additionally, the portion of funds invested in the FL TRUST, in the amount of $4,298,966 is treated as cash and cash equivalent due to the intent to use the available funds for routine liquidity needs.

The County's investments in the Florida Prime Investment Pool as of September 30, 2025 were $414,227,489. These investments are similar to money market funds in which units are owned in the fund rather than the underlying investments. These investments are reported at amortized cost and meet the requirements of GASB Statement No. 31, as amended by GASB Statement No. 79 *Certain External Investment Pools and Pool Participants*, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from the Florida Prime Investment Pool; although in the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the fund's executive director may limit contributions to or withdrawals from the trust fund for a period of 48 hours.

The Florida Prime Investment Pool had a dollar weighted average days to maturity (WAM) of 47 days as of Sept. 30, 2025. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM.

B. Investment Portfolio

The Board of County Commissioners (Board) and Clerk of the Circuit Court and Comptroller (Clerk) formally adopted comprehensive investment policies on October 3, 2000. The Tax Collector formally adopted a comprehensive investment policy on October 20, 2006. The policies were created pursuant to Section 218.415, Florida Statutes and established permitted investments, asset allocation limits, issuer limits, credit ratings requirements, and maturity limits to protect the County's cash and investment assets. The Board maintains a common cash and investment pool for the use of all funds. In addition, cash and investments are separately held by the Board's special revenue, debt service, capital projects, enterprise and trust funds.

Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically authorized in an investment policy. The Board adopted a list of permitted investments by ordinance and updated their Investment Policy on March 3, 2015. The Ordinance (15-03) allows for the following investments: The U.S. Treasury, GNMA, other U.S. Government Guarantees (e.g. AID, GTC), Federal Agency/GSE: FNMA, FHLMC, FHLB, FFCB, other Federal Agency/GSE, Supranationals (where U.S. is a shareholder and voting member), Corporates, Municipals, Agency Mortgage-Backed Securities (MBS), Asset-Backed Securities (ABS), Non-Negotiable Interest Bearing Time Certificates of Deposit, Commercial Paper (CP), Bankers' Acceptances (BAs), Repurchase Agreements (Repo or RP), Money Market Mutual Funds (MMFs), Fixed-Income Mutual Funds & ETFs, Intergovernmental Pools (LGIPs), and the Florida Prime Investment Pool.

The Constitutional Officers, electing not to adopt a written investment policy, are limited to investing funds pursuant to Section 218.415, Florida Statutes, subsection (17) Authorized Investments; no written investment policy. Those investments include the Florida Prime Investment Pool, any authorized intergovernmental investment pool, SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest-bearing time deposits or savings accounts in qualified public depositories, and direct obligations of the U.S. Treasury.

The County's investment portfolio consists of $148,104,981 in direct obligations of the United States Treasury Securities, Federal Instrumentalities, Corporate Obligations, Municipal Obligations, and Money Market Funds which are reported at fair value in accordance with GASB Statement No. 31. In 2025, the County invested $16,121,123 with Florida Trust Fund (FL TRUST). The FL TRUST money market fund seeks to maintain a stable net asset value of $1.00. In 2025, the County invested $80,112,124 with Florida Public Assts for Liquidity Management (FL PALM). The FL PALM money market fund seeks to maintain a stable net asset value of $1.00. The FL PALM invests exclusively in high quality money market instruments. The goal of the fund is to provide the highest earnings consistent with maintaining the principal. The County's investment in the FL PALM portfolio is reported at amortized cost. In 2025, the County invested $20,499,272 with Florida Surplus Asset Fund Trust (FL SAFE). The FL SAFE daily liquidity fund seeks to maintain a stable net asset value of $1.00. The FL SAFE is managed to the requirements of GASB 79, which requires 10% daily and 30% weekly liquidity. In 2025, the County invested $20,515,656 with Florida Fixed Income Trust cash pool (FL FIT). The FL FIT cash pool is reported at net asset value.The FL FIT Credit Quality as of 9/30/2025 was rated by Fitch ratings at AAAf/S1. The weighted average maturity (WAM) was 85 days and the weighted average life (WAL) was 310 days at 9/30/2025. The County's total investment balance excluding the Florida Prime as of 9/30/2025 was $285,353,156.

The County categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides guidance for determining fair value of investments for financial reporting purposes and includes the fair value hierarchy, which has three levels based on the valuation inputs used to measure an asset's fair value: Level

1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Statement No. 72 allows for the use of quoted prices provided by third parties. The County uses quoted prices provided by its third-party custodian, Truist Bank. Quoted prices are categorized using a Fair Value Evaluation Matrix providing asset type, pricing method, pricing sources, evaluation frequency, and customary fair value level.
Investments' fair value measurements and input levels are as follows at September 30, 2025.

		Fair Value Measurements Using		
	09/30/2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Corporate Obligations	$ 80,981,440	$ -	$ 80,981,440	$ -
Municipal Obligations	-		-	
FNMA Notes	2,458,555		2,458,555	
FHLMC Notes	14,525,455		14,525,455	
US Treasury Notes	49,972,023		49,972,023	
Total investments by fair value level	$ 147,937,473	$ -	$ 147,937,473	$ -
Investments measured at Net Asset Value (NAV)				
Florida Fixed Income Trust	20,515,656			
Total investments measured at NAV	20,515,656			
Investments measured at amortized cost				
Florida TRUST	16,121,123			
Florida Public Assets for Liquidity Management	80,112,124			
Florida Surplus Asset Fund Trust (FL Safe)	20,499,272			
Federated Money Market Fund	167,508			
Total investments measured at amortized cost	116,900,027			
Total Investments	$ 285,353,156			

As of September 30, 2025, interest receivable on the County's investment portfolio amounted to $1,160,797. The County had the following investment types by issuer and effective duration presented in terms of years:

Effective Duration by Security Type	Fair Value	Weighted Average Duration (Years)	Credit Rating	Percentage of Portfolio
Corporate Obligations	$ 80,981,440	1.58	BBB+/AAA	28.38 %
FNMA Notes	2,458,555	1.43	AA+	0.86 %
FHLMC Notes	14,525,455	1.56	AA+	5.09 %
US Treasury Notes	49,972,023	2.03	N/A	17.51 %
FL TRUST	16,121,123	0.03	AAAm	5.65 %
FL FIT	20,515,656	0.23	AAAf	7.19 %
FL SAFE	20,499,272	0.10	AAAm	7.18 %
FL PALM	80,112,124	0.10	AAAm	28.08 %
Federated Money Market Fund	167,508	0.07	AAAm	0.06 %
Total Fair Value	$ 285,353,156			100.00 %
Portfolio Weighted Average Duration		0.95		

C. Interest Rate Risk

The Board's investment policy sets limits for investment maturities to match known cash needs and anticipated cash flow requirements. Investments of current operating funds shall have maturities of no longer than twenty-four (24) months. Investments of bond reserves, construction funds, and other non-operating funds, "core funds", shall have a term appropriate to the need for funds and in accordance with debt covenants. The purchase of investments for core funds with maturities longer than five and a half (5.50) years requires the Clerk's approval prior to purchase. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Master Repurchase Agreement.

The Board utilizes "effective duration" as a measurement of interest rate risk and as of September 30, 2025, the investment portfolio had an effective duration of 1.73 years.

Included in the investment portfolio, the Board has $21,222,848 in Callable Securities that have an embedded option consisting of the option at the discretion of the issuer to call their obligation or pay a stated increase in the interest rate. The effective duration of callable securities is 1.66 years with the latest maturity date of April 25, 2029. The Board has $16,984,010 invested in Federal Agency mortgage-backed pass-through securities with an effective duration of 1.54 years and latest maturity date of April 1, 2041. Additionally, the Board has $31,451,829 invested in Asset-backed securities with an effective duration of 1.44 years.

D. Credit Risk

The Board's investment policy permits for investing in the following investments, which are limited to credit quality ratings from a Nationally Recognized Statistical Rating Organization (NRSRO) as described below.

- Money Market Mutual Funds provided such funds are registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. § 270.2a-7, which stipulates that money market funds must have an average weighted maturity of 90 days or less. In addition, the share value of the money market funds must equal to $1.00. The money market funds shall be rated the two highest rating categories by all NRSROs who rate the fund (AAm/Aa-mf, or equivalent).
- Corporate notes, bonds, or other debt obligations shall be rated, at minimum or better, the highest short-term or three highest long-term rating categories (A-1/P-1, A-/A3 or equivalent) by a NRSRO.
- Bankers' Acceptances (BAs) which are issued, drawn on, or guaranteed by a U.S. bank or U.S. branch of a foreign bank shall be rated the highest short-term rating category (A-1/P-1, or equivalent) by a NRSRO.
- Municipal obligations shall be rated, at a minimum or better, the highest short-term or three highest long-term rating categories (SP-1/MIG 1, A-/A3, or equivalent) by a NRSRO.
- Supranationals shall be rated, at a minimum or better, the highest short-term or two highest long-term rating categories (A-1/P-1, AA-/Aa3, or equivalent) by a NRSRO.
- Commercial paper of any United States company or a domestic or foreign corporation, company, financial institution, trust or other entity, including unsecured debt and asset-backed programs shall be rated the highest short term rating category (A-1/P-1, or equivalent) by a NRSRO.
- Intergovernmental Pools (LGIPs) authorized pursuant to the Florida Interlocal Cooperation Act, as provided in s. 163.01, F.S. The intergovernmental pools shall be rated the highest fund quality and volatility rating categories by all NRSROs who rate the LGIP, (AAAm/AAAf, S1, or equivalent).
- Florida Local Government Surplus Funds Trust Fund (Florida Prime). The Florida Prime shall be rated, at a minimum or better, as the two highest fund rating categories by all NRSROs who rate the fund (Aam/Aa-mf, or equivalent).

As of September 30, 2025, the majority of the Board's investment securities in the amount of $285,353,156 were all individually rated BBB+/AAA by Standard & Poor's Rating Services or A1/Aaa by Moody's Rating Services.

The County's $414,227,489 investment deposit in the Florida Prime Investment Pool was rated by Standard & Poor's. The current rating as of September 30, 2025 was AAAm.

The County's $80,112,124 investment in the FL PALM portfolio was rated by Standard & Poor's and Fitch ratings. The current rating as of September 30, 2025 was AAAm and AAAf respectively.

The County's $16,121,123 investment in the FL TRUST portfolio was rated by Standard & Poor's ratings. The current rating as of September 30, 2025 was AAAm.

The County's $20,499,272 investment in the FL SAFE portfolio was rated by Standard & Poor's ratings. The current rating as of September 30, 2025 was AAAm.

The County's $20,515,656 investment in the FL FIT portfolio was rated by Fitch ratings. The current rating as of September 30, 2025 was AAAf.

The County's cash deposit balance, including the deposit with fiscal agent, of $116,511,552 was deposited in a qualified public depository, as required by Chapter 280, Florida Statutes.

E. Custodial Credit Risk

The Board's investment policy, pursuant to Section 218.415(18), Florida Statutes, requires securities, with the exception of certificates of deposits, shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the Board should be properly designated as an asset of the County. The securities must be held in an account separate and apart from the assets of the financial institution. A third-party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposit will be placed in the provider's safekeeping department for the term of the deposit.

As of September 30, 2025, the Board's investment portfolio was held with a third-party custodian as required by the Board's investment policy.

F. Concentration of Credit Risk

The Board's investment policy establishes asset allocation and issuer limits designed to reduce the concentration of credit risk by security type and individual issuer. As of September 30, 2025, the Board's investments included no investment exceeding the established concentration limits. All investments held were within the limits established by the Board's investment policy for security type and individual issuer.

MARION COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2025 is as follows:

	Due From Other Funds	Due to Other Funds
Major Funds:		
General Fund	$ 11,223	$ 3,381,385
Major Special Revenue Funds:		
County Transportation Maintenance	-	464
MSTU For Law Enforcement	2,136,806	-
Fire, Rescue & EMS	6,263	-
Major Enterprise Funds:		
Solid Waste System	-	4,760
Nonmajor Funds:		
Special Revenue Funds	1,223,296	22,768
Debt Service Funds	5,198	-
Capital Projects Funds	26,591	-
	$ 3,409,377	$ 3,409,377

Interfund receivables and payables resulted primarily from revenues accrued in certain funds that are transferred to other funds and excess fees of County Constitutional Officers due to other funds of the County. The total interfund balances contain $3.1 million of General Fund eliminations between the Constitutional Officers (Clerk, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector).

Interfund transfers consist of the following:

	Transfers In	Transfers Out
Major Funds:		
General Fund	$ 117,253,196	$ 1,467,408
Major Special Revenue Funds:		
County Transportation Maintenance	-	-
MSTU For Law Enforcement	214,100	91,797,674
Fire, Rescue & EMS	1,086,914	1,156,714
Major Enterprise Funds:		
Marion County Utility	-	-
Non-major Funds:		
Special Revenue Funds	1,526,940	25,759,724
Debt Service Funds	-	-
Capital Project Funds	-	-
Internal Service Funds	100,370	-
	$ 120,181,520	$ 120,181,520

The MSTU for Law Enforcement Special Revenue Fund transferred $91.8 million to the General Fund for the Sheriff. The Fine & Forfeiture Special Revenue Fund transferred $25.0 million to the General Fund for the Sheriff to cover law enforcement costs. The total transfers contain $98.0 million of General Fund eliminations between the Constitutional Officers (Clerk, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector).

NOTE 4 – CAPITAL ASSETS

A. Changes in Capital Assets

The following shows the changes in capital assets of governmental activities:

	Primary Government			
Governmental Activities	**Beginning Balance 9/30/2024**	**Increases**	**Decreases**	**Ending Balance 9/30/2025**
Capital Assets, Not Being Depreciated:				
Land	$ 441,970,278	$ 58,148,208	$ (1,894,349)	$ 498,224,137
Historical Treasures	266,238	-	-	266,238
Construction In Progress	80,552,938	58,390,389	(48,730,658)	90,212,669
Construction In Progress - Infrastructure	98,627,885	22,827,932	(1,345,662)	120,110,155
Total Capital Assets, Not Being Depreciated	621,417,339	139,366,529	(51,970,669)	708,813,199
Capital Assets, Being Depreciated and Amortized:				
Buildings	268,302,943	5,942,228	-	274,245,171
Improvements Other Than Buildings	90,631,270	10,357,369	-	100,988,639
Equipment	215,386,975	29,209,681	(10,406,090)	234,190,566
Computer Software	7,050,890	-	-	7,050,890
Infrastructure	1,457,254,768	5,247,984	(1,510)	1,462,501,242
Intangible Right-to-Use SBITA	6,607,695	520,160	(2,669,390)	4,458,465
Intangible Right-to-Use Leases				
Right to Use Land	1,617,617	495,380	(338,431)	1,774,566
Right to Use Buildings	9,067,391	8,598	(161,852)	8,914,137
Right to Use Infrastructure	1,146,008	-	-	1,146,008
Right to Use Equipment	1,439,091	948,731	(585,146)	1,802,676
Total Capital Assets Being Depreciated	2,058,504,648	52,730,131	(14,162,419)	2,097,072,360
Less Accumulated Depreciation For:				
Buildings	(152,472,233)	(7,663,041)	7,942	(160,127,332)
Improvements Other Than Buildings	(51,503,704)	(2,776,541)	41,378	(54,238,867)
Equipment	(143,556,588)	(20,942,520)	9,852,590	(154,646,518)
Computer Software	(4,950,283)	(305,172)	-	(5,255,455)
Infrastructure	(737,608,095)	(34,606,544)	4,752	(772,209,887)
Intangible Right-to-Use SBITA	(2,718,346)	(1,653,498)	1,829,689	(2,542,155)
Intangible Right-to-Use Leases				
Right to Use Land	(227,658)	(85,503)	47,592	(265,569)
Right to Use Buildings	(600,289)	(564,802)	161,852	(1,003,239)
Right to Use Infrastructure	(179,076)	(59,692)	-	(238,768)
Right to Use Equipment	(800,102)	(539,813)	576,371	(763,544)
Total Accumulated Depreciation	(1,094,616,374)	(69,197,126)	12,522,166	(1,151,291,334)
Total Capital Assets, Being Depreciated, Net	963,888,274	(16,466,995)	(1,640,253)	945,781,026
Governmental Activities Capital Assets, Net	$ 1,585,305,613	$ 122,899,534	$ (53,610,922)	$ 1,654,594,225

The following is a summary of governmental activities depreciation and amortization expense by function.

Depreciation Governmental Activities:	
General Government	$ 8,949,521
Public Safety	20,119,423
Physical Environment	1,055,630
Transportation	35,749,686
Economic Environment	44,298
Human Services	512,057
Culture/Recreation	2,357,315
Court Related	383,881
Internal Service Fund charged to individual functions based on usage	25,315
Total Depreciation Expense - Governmental Activities	$ 69,197,126

The following shows changes in capital assets of business-type activities:

Business-type Activities	**Beginning Balance 9/30/2024**	**Increases**	**Decreases**	**Ending Balance 9/30/2025**
Capital Assets, Not Being Depreciated:				
Land	$ 13,238,294	$ 2,250	$ (8,078)	$ 13,232,466
Construction In Progress	17,417,999	174,164	(4,170,426)	13,421,737
Total Capital Assets, Not Being Depreciated	30,656,293	176,414	(4,178,504)	26,654,203
Capital Assets, Being Depreciated:				
Buildings	8,828,963	4,044,726	-	12,873,689
Improvements Other Than Buildings	404,394,138	44,616,959	(2,622,354)	446,388,743
Equipment	22,286,046	3,580,610	(734,279)	25,132,377
Intangible Right-to-Use SBITA	766,976	-	(79,348)	687,628
Intangible Right-to-Use Lease				
Right to Use Equipment	56,286	16,979	(38,855)	34,410
Total Capital Assets Being Depreciated	436,332,409	52,259,274	(3,474,836)	485,116,847
Less Accumulated Depreciation For:				
Buildings	(5,565,121)	(559,311)	-	(6,124,432)
Improvements Other Than Buildings	(223,210,122)	(17,164,062)	-	(240,374,184)
Equipment	(15,519,712)	(2,163,416)	733,946	(16,949,182)
Intangible Right-to-Use SBITA	(306,367)	(139,529)	35,152	(410,744)
Intangible Right-to-Use Lease				
Right to Use Equipment	(31,568)	(21,630)	38,855	(14,343)
Total Accumulated Depreciation	(244,632,890)	(20,047,948)	807,953	(263,872,885)
Total Capital Assets, Being Depreciated, Net	191,699,519	32,211,326	(2,666,883)	221,243,962
Total Business-Type Activities				
Capital Assets, Net	$ 222,355,812	$ 32,387,740	$ (6,845,387)	$ 247,898,165

The following is a summary of business-type activities depreciation expense by function:

Depreciation Business-type activities:	
Solid Waste System	$ 2,199,235
Marion County Utility	17,848,713
Total Depreciation Expense - Business-type Activities	$ 20,047,948

The following shows the changes in capital assets of business-type activities for both enterprise funds:

Business-type Activities		Beginning Balance 09/30/24		Increases		Decreases		Ending Balance 09/30/25
Solid Waste System								
Capital Assets, Not Being Depreciated:								
Land	$	5,202,724	$	2,250	$	(8,078)	$	5,196,896
Construction In Progress		3,203,496		172,734		(1,255,244)		2,120,986
Total Capital Assets, Not Being Depreciated		8,406,220		174,984		(1,263,322)		7,317,882
Capital Assets, Being Depreciated:								
Buildings		3,990,713		4,044,726		-		8,035,439
Improvements Other Than Buildings		45,025,193		90,238		(2,622,354)		42,493,077
Intangible Right-to-Use SBITA		96,787		-		(22,455)		74,332
Intangible Right-to-Use Lease								
Right to Use Equipment		11,500		16,979		(11,501)		16,978
Equipment		12,208,113		1,587,993		(171,635)		13,624,471
Total Capital Assets Being Depreciated		61,332,306		5,739,936		(2,827,945)		64,244,297
Less Accumulated Depreciation For:								
Buildings		(2,691,492)		(441,976)		-		(3,133,468)
Improvements Other Than Buildings		(36,208,627)		(563,664)		-		(36,772,291)
Intangible Right-to-Use SBITA		(37,971)		(15,327)		8,932		(44,366)
Intangible Right-to-Use Lease								
Right to Use Equipment		(7,665)		(12,323)		11,501		(8,487)
Equipment		(8,572,518)		(1,165,945)		171,637		(9,566,826)
Total Accumulated Depreciation		(47,518,273)		(2,199,235)		192,070		(49,525,438)
Total Capital Assets, Being Depreciated, Net		13,814,033		3,540,701		(2,635,875)		14,718,859
Solid Waste System Capital Assets, Net	$	22,220,253	$	3,715,685	$	(3,899,197)	$	22,036,741
Marion County Utility								
Capital Assets, Not Being Depreciated:								
Land	$	8,035,570	$	-	$	-	$	8,035,570
Construction In Progress		14,214,503		1,430		(2,915,182)		11,300,751
Total Capital Assets, Not Being Depreciated		22,250,073		1,430		(2,915,182)		19,336,321
Capital Assets, Being Depreciated:								
Buildings		4,838,250		-		-		4,838,250
Improvements Other Than Buildings		359,368,945		44,526,721		-		403,895,666
Equipment		10,077,933		1,992,617		(562,644)		11,507,906
Intangible Right-to-Use SBITA		670,189		-		(56,893)		613,296
Intangible Right-to-Use Lease								
Right to Use Equipment		44,786		-		(27,354)		17,432
Total Capital Assets Being Depreciated		375,000,103		46,519,338		(646,891)		420,872,550
Less Accumulated Depreciation For:								
Buildings		(2,873,629)		(117,335)		-		(2,990,964)
Improvements Other Than Buildings		(187,001,495)		(16,600,398)		-		(203,601,893)
Equipment		(6,947,194)		(997,471)		562,309		(7,382,356)
Intangible Right-to-Use SBITA		(268,396)		(124,202)		26,220		(366,378)
Intangible Right-to-Use Lease								
Right to Use Equipment		(23,903)		(9,307)		27,354		(5,856)
Total Accumulated Depreciation		(197,114,617)		(17,848,713)		615,883		(214,347,447)
Total Capital Assets, Being Depreciated, Net		177,885,486		28,670,625		(31,008)		206,525,103
Marion County Utility Capital Assets, Net	$	200,135,559	$	28,672,055	$	(2,946,190)	$	225,861,424
Total Business-Type Activities Capital Assets, Net	$	222,355,812	$	32,387,740	$	(6,845,387)	$	247,898,165

B. Summary of Capital Assets

The following summarizes Capital Assets found on the Statement of Net Position for governmental activities and business-type activities:

	Primary Government					
		Governmental Activities		Business-Type Activities		Total
Capital Assets, Not Being Depreciated:						
Land	$	498,224,137	$	13,232,466	$	511,456,603
Historical Treasures		266,238		-		266,238
Construction in Progress		90,212,669		13,421,737		103,634,406
Construction in Progress -						
Infrastructure		120,110,155		-		120,110,155
Total Capital Assets, Not Being Depreciated		708,813,199		26,654,203		735,467,402
Capital Assets, Being Depreciated and Amortized, Net:						
Buildings		274,245,171		12,873,689		287,118,860
Improvements Other than Buildings		100,988,639		446,388,743		547,377,382
Equipment		234,190,566		25,132,377		259,322,943
Software		7,050,890		-		7,050,890
Infrastructure		1,462,501,242		-		1,462,501,242
Intangible Right to Use SBITAs		4,458,465		687,628		5,146,093
Intangible Right to Use Leases						
Right to Use Land		1,774,566		-		1,774,566
Right to Use Buildings		8,914,137		-		8,914,137
Right to Use Infrastructure		1,146,008		-		1,146,008
Right to Use Equipment		1,802,676		34,410		1,837,086
Capital Assets, Being Depreciated		2,097,072,360		485,116,847		2,582,189,207
Less: Accumulated Depreciation		(1,151,291,334)		(263,872,885)		(1,415,164,219)
Total Capital Assets, Being Depreciated, Net		945,781,026		221,243,962		1,167,024,988
Total Capital Assets, Net	$	1,654,594,225	$	247,898,165	$	1,902,492,390

C. Construction Commitments

The following is a summary of construction commitments outstanding at September 30, 2025:

Projects		Spent-to-Date		Remaining Commitment
Road & Bridge Projects	$	8,691,139	$	13,376,847
DRA Repairs		313,912		406,517
Facilities Mgmt & Improvements		1,270,669		3,191,977
Animal Center Construction		10,620,421		8,994,891
Public Library Expansion		5,591,777		3,202,019
State Attorney Office Expansion		2,940,716		2,798,335
Fire Station Construction		196,381		7,430,484
Fire Station Remodels		3,370,713		173,416
Parks Improvements & Renovations		5,063,690		1,722,696
ARPA		25,240,430		14,983,345
MSTU Road Improvements		471,865		502,079
Water & Sewer Projects		21,381,693		6,077,316
Total	$	85,153,406	$	62,859,922

NOTE 5 – LONG-TERM LIABILITIES

A. Schedule of Changes in Long-term Liabilities

The County's outstanding long-term liabilities include bonds payable, notes from direct borrowings, leases payable, SBITA payable, claims payable, compensated absences, other post employment benefits, net pension liability, claims and judgments, accrued landfill closure costs and remediation costs. The following is a schedule of changes in the County's long-term liabilities for the fiscal year ended September 30, 2025:

	Balance 10/01/2024 *	Additions	Reductions	Balance 09/30/2025	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Revenue Bonds	$ 21,870,000	$ -	$ (3,430,000)	$ 18,440,000	$ 3,515,000
Special Assessment debt					
with governmental commitment	5,173,135	2,367,773	(876,772)	6,664,136	619,913
Total Bonds Payable	27,043,135	2,367,773	(4,306,772)	25,104,136	4,134,913
Notes from Direct Borrowings	534,280	1,472,860	(571,113)	1,436,027	506,772
Leases Payable	11,608,796	1,452,709	(1,311,525)	11,749,980	893,032
SBITA Payable	3,511,098	485,670	(2,363,027)	1,633,741	884,641
Claims Payable	8,034,725	7,942,153	(7,572,022)	8,404,856	1,680,971
Compensated Absences	33,530,180	2,523,539	-	36,053,719	7,210,744
Other Post Empl Benefits	22,220,776	4,183,218	(1,187,097)	25,216,897	1,261,417
Net Pension Liability	323,406,669	141,888,473	(190,804,599)	274,490,543	-
Governmental Activity Long-term Liabilities	$ 429,889,659	$ 162,316,395	$ (208,116,155)	$ 384,089,899	$ 16,572,490
Business-type Activities:					
Bonds Payable:					
Revenue Bonds	$ 43,085,000	$ -	$ (3,895,000)	$ 39,190,000	$ 3,960,000
Total Bonds Payable	43,085,000	-	(3,895,000)	39,190,000	3,960,000
Notes from Direct Borrowings	24,893,300	-	(2,577,989)	22,315,311	2,624,940
Leases Payable	24,667	16,979	(21,331)	20,315	13,233
SBITA Payable	459,380	5,488	(183,067)	281,801	138,430
Compensated Absences	1,525,706	70,663	-	1,596,369	319,273
Other Post Empl Benefits	784,974	147,468	(41,847)	890,595	44,468
Net Pension Liability	9,036,740	4,106,335	(5,858,834)	7,284,241	-
Landfill Closure Costs	36,732,223	876,369	-	37,608,592	581,414
Pollution Remediation Costs	2,968,905	-	(48,216)	2,920,689	1,281,028
Business-type Activity Long-term Liabilities	$ 119,510,895	$ 5,223,302	$ (12,626,284)	$ 112,107,913	$ 8,962,786

* The beginning balances of compensated absences have been restated due to implementation on GASB 101, *Compensated Absences*.

Net pension liability and other postemployment benefits liability will be liquidated in future periods primarily by the general revenue of the General Fund and ad valorem taxes of the Fire Rescue and EMS Fund and the MSTU for Law Enforcement Special Revenue Funds. Changes in compensated absences have been reported net in the table above.

B. Bonds Payable

The County has general obligation, special assessment, and revenue bonds outstanding at year end. Special assessment bonds are secured by liens on real property, governmental revenue bonds are secured by the half-cent sales tax revenues and enterprise revenue bonds are secured by the revenues generated by the issuing fund. The limited ad valorem tax bonds are limited to a levy not to exceed one-half of one mill in any given year. The following is a schedule of bonds outstanding at September 30, 2025:

	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rates	Maturity
Governmental Activities:					
Revenue Bonds:					
Public Improvement Revenue Refunding Bonds, Series 2016	Roads	$ 34,420,000	$ 18,440,000	2.45%	2030
Total Revenue Bonds			18,440,000		
Special Assessment Bonds:					
Series 2015A	improvement projects	302,676	-	2.79%	2025
Series 2016A		1,132,671	11	2.05%	2026
Series 2017A		1,589,554	136,488	2.41%	2027
Series 2019A		899,876	248,632	2.60%	2029
Series 2021A		1,791,561	832,270	1.60%	2031
Series 2022A		418,977	256,562	2.75%	2032
Series 2024A		943,152	865,647	3.20%	2034
Series 2024B		2,057,303	1,956,755	3.20%	2039
Series 2025A		2,367,773	2,367,772	4.22%	2040
Total Special Assessment Bonds			6,664,136		
Total Bonds Payable - Governmental Activities			$ 25,104,136		
Business-type Activities:					
Revenue Bonds:					
Utilities System Revenue Refunding Bonds, Series 2016	Refunding	22,325,000	4,755,000	1.87%	2030
Utilities System Revenue Refunding Bonds, Series 2021B	System Acquisition	14,000,000	11,620,000	1.82%	2041
Utilities System Revenue Refunding Bonds, Series 2022A	Refunding	27,785,000	22,815,000	1.57%	2033
Total Bonds Payable - Business-type Activities			$ 39,190,000		

C. Notes from Direct Borrowings

The County has various notes from direct borrowings outstanding at year end. The following is a summary of those notes outstanding at September 30, 2025:

	Purpose	Interest Rates	Remaining Balance
Business-type Activities:			
Marion County Utility Fund			
SRF Contract Payable - JB Ranch	System Improvements	1.11%	$ 672,687
SRF Contract Payable - Oak Run	System Improvements	1.11%	3,383,290
SRF Contract Payable - Stonecrest	System Improvements	1.11%	2,674,701
SRF Contract Payable - Golden Ocala	System Improvements	-%	12,573,596
Windstream Utilities	System Acquisition	4.50%	3,011,038
			$ 22,315,311
Governmental Activities:			
General Fund			
Dell	Main Production Cluster	1.60%	905,855
Dell	Public Safety Servers	5.50%	237,343
Golden Ocala	Fire Truck	1.60%	292,828
			$ 1,436,027

D. Debt Service Requirements

The following schedules show debt service requirements to maturity for the County's general obligation bonds, special assessment bonds, revenue bonds, and notes from direct borrowings and direct placements:

Governmental Activities:

Fiscal Year	Revenue and Special Assessment Bonds		Notes from Direct Borrowings		Total
	Principal	Interest	Principal	Interest	
2026	$ 4,134,913	$ 593,555	$ 506,772	$ 72,889	$ 5,308,129
2027	4,199,980	523,898	324,570	53,366	5,101,814
2028	4,239,887	417,463	293,585	36,077	4,987,012
2029	4,344,638	309,930	311,100	18,562	4,984,230
2030	4,403,933	199,421		-	4,603,354
2031-2035	2,112,993	526,633		-	2,639,626
2036-2039	1,667,792	184,910		-	1,852,702
Total	$ 25,104,136	$ 2,755,810	$ 1,436,027	$ 180,894	$ 29,476,867

Business-type Activities

Fiscal Year	Revenue Bonds		Notes from Direct Borrowings		Total
	Principal	Interest	Principal	Interest	
2026	$ 3,960,000	$ 624,332	$ 2,624,940	$ 278,455	$ 7,487,727
2027	3,985,000	555,616	2,673,160	230,236	7,444,012
2028	4,275,000	485,962	2,583,870	180,715	7,525,547
2029	4,350,000	414,935	2,491,497	134,254	7,390,686
2030	4,320,000	343,634	933,180	97,311	5,694,125
2031-2035	13,545,000	864,002	4,756,109	331,347	19,496,458
2036-2040	3,925,000	256,847	4,456,326	77,185	8,715,358
2041-2045	830,000	7,553	1,796,228	-	2,633,781
	-	-	-	- -	-
Total	$ 39,190,000	$ 3,552,880	$ 22,315,311	$ 1,329,503	$ 66,387,694

E. Pledged Revenues

Marion County has pledged certain revenues, to repay certain bonds and notes outstanding as of September 30, 2025. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue, the amounts of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2025:

GOVERNMENTAL ACTIVITIES	Revenue Pledged	Current Year Total Revenue	Pledged Outstanding Principal & Interest	Estimated Revenue Percentage Pledged	Principal & Interest Paid	Maturity
Revenue Bonds:						
Public Improvement Revenue Bonds - 2016	Sales tax	35,431,819	19,591,377	11.1%	3,923,798	2030
Total Revenue Notes and Bonds - Governmental Activities			$ 19,591,377		$ 3,923,798	
BUSINESS-TYPE ACTIVITIES						
Revenue Bonds:						
Utility System Revenue Bonds - 2016	System Revenue	22,705,350	4,916,428	4.3 %	1,678,519	2030
Utility System Revenue Bonds - 2021B	System Revenue	22,705,350	13,393,135	3.7 %	837,126	2041
Utility System Revenue Bonds - 2022A	System Revenue	22,705,350	24,433,317	21.6 %	2,081,619	2034
Revenue Notes:						
2008 State Revolving Fund Loan - JB Ranch	System Revenue	22,705,350	694,115	1.2 %	277,642	2028
2008 State Revolving Fund Loan - Oak Run	System Revenue	22,705,350	3,562,723	4.4 %	890,681	2029
2008 State Revolving Fund Loan - Stonecrest	System Revenue	22,705,350	2,818,325	3.5 %	704,582	2029
2014 Windstream Utilities Loan	System Revenue	22,705,350	3,996,055	1.4 %	312,000	2039
2023 State Revolving Fund Loan-Golden Ocala	System Revenue	22,705,350	12,573,597	3.5 %	718,491	2043
Total Revenue Notes and Bonds - Business Activities			$ 66,387,695		$ 7,500,660	

F. Defeased Debt

The County advance refunds and defeases debt primarily as a means of reducing debt service requirements. At such time, the liability for that debt is removed from the applicable statement of net position. As of September 30, 2025, the County had no outstanding defeased debt.

G. Compensated Absences

Compensated absences are accrued in proprietary funds at year end. The County does not accrue compensated absences in governmental funds. However, compensated absences paid in governmental funds are charged to the fund and function in which the employee was related and are reported as a liability on the government-wide statement for governmental activities. The following is a summary schedule of compensated absences as of September 30, 2025:

	Balance 10/01/2024 *	Net Change	Balance 09/30/2025
Governmental Activities:			
Board of County Commissioners	$ 16,538,067	$ 830,182	$ 17,368,249
Clerk of the Circuit Court	1,795,094	192,809	$ 1,987,903
Sheriff	14,091,331	1,447,157	$ 15,538,488
Tax Collector	605,306	4,877	$ 610,183
Property Appraiser	358,303	41,115	$ 399,418
Supervisor of Elections	89,972	5,991	$ 95,963
Internal Service Fund	52,107	1,408	$ 53,515
	$ 33,530,180	$ 2,523,539	$ 36,053,719
Business-type Activities:			
Solid Waste Fund	$ 504,588	$ 25,221	$ 529,809
Marion County Utility Fund	1,021,118	45,442	1,066,560
	$ 1,525,706	$ 70,663	$ 1,596,369

* Beginning balances have been restated due to GASB 101 implementation.

H. Landfill Closure Costs

State and federal laws and regulations require the County to place a final cover on its landfill when closed and to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The cost of landfill closure and postclosure care is allocated based on landfill capacity used to date. As of September 30, 2025, the landfill was at 91.2% of original design capacity. The County expects the landfill to close in 2027 or sooner. The accrued cost for closure care as of September 30, 2025, was $37,608,592. The remaining closure and postclosure costs to be recognized, based upon the current engineering estimates are $1,951,565. All amounts recognized are based on an estimate by the County's engineers of the cost to perform all closure and postclosure care as of September 30, 2025. Actual costs may be different due to inflation, deflation, changes in technology, or changes in laws and regulations. The County is required by state and federal laws and regulations to establish escrow accounts for closure and postclosure costs of the landfill. The County has complied with these requirements by depositing the required amounts into a landfill management escrow account. Any balance in this account is reported as a restricted asset on the statement of net position of the Solid Waste enterprise fund.

I. Bond Covenant Requirements, and Certain Disclosures for Bonds and Notes from Direct Borrowings

Bond Covenant Requirements
Revenue bond covenants, revenue bond debt service and transfer requirement provisions require either (1) monthly sinking fund contributions for current debt service of one-twelfth and one-sixth of the next maturing principal and interest payment, respectively, or (2) an annual approach where all receipts are deposited into a sinking fund until the funds therein are sufficient to meet the maturing principal and interest payments. In addition, certain reserves for future debt service requirements (generally the largest principal and interest payment due in any succeeding year) must be maintained. The sum of the net revenue, available impact fees and utility services fees to be received in such bond year shall be at least equal to one hundred ten percent (110%) of the bond debt service requirements.

Bond covenants require debt service reserves to be either fully funded or insured. If insured, the surety provider must maintain sufficient ratings. The County has reserved $4,438,897 for Transportation bonds to fulfill the covenant requirements. The County is not aware of any areas of non-compliance with respect to its bond covenants.

Certain Disclosures for Bonds
The County's public improvement revenue bonds, special assessment bonds, and utility system revenue bonds contain remedies for events of default that are dependent upon judicial actions and may be limited, and may include interest default rate escalations on outstanding balances.

Certain Disclosures for Notes from Direct Borrowings
The County's direct borrowings with the State Revolving Fund (SRF) contain provisions that in the event of default, notification of such default may be made to the Florida Auditor General and Chief Financial Officer, and the SRF may intercept the unpaid amounts from unobligated funds due to the County under revenue or tax sharing programs. The SRF may impose a penalty of an interest rate up to 18% annually on the amount due. Additionally, the SRF may accelerate the repayment schedule or increase the financing rate on unpaid principal to as much as 1.667 times the original financing rate.

The County's equipment lease-purchase notes contain remedies for events of default that may include declaring all unpaid amounts immediately due, and/or requiring return of all equipment under the agreement.

J. Leases Payable

The County is the lessee of land, buildings, infrastructure, and equipment in several departments throughout its operations. Some of the equipment is leased utilizing master agreements to streamline leasing terms for consistency. Details of the County's significant leases are outlined in the table below:

Description of Leased Item	Lease Type	Lease Term	Payments	Frequency	Interest Rate
Tower and ground space	Land	164 - 167 months	$ 3,705	Monthly	2.041%
Shopping plaza	Building	39 months	3,010	Monthly	0.861%
Office space	Building	35 months	4,993	Monthly	0.861%
Office space	Building	24 years	75,000	Annual	3.689%
Tower and ground space	Infrastructure	228 - 232 months	4,683	Monthly	2.44%
Kyocera copiers	Equipment	13 - 36 months	685	Monthly	.36 - 2.7%
Postage meters	Equipment	36 - 38 months	1,383	Quarterly	0.861%
Copystar copiers	Equipment	13 - 36 months	10,589	Monthly	.46 - 2.7%

The County's leases payable at September 30, 2025 is $11,749,980 for governmental activities and $20,315 for business-type activities.

Future debt service payments at September 30 are as follows:

Governmental Activities

Fiscal Year Ending	Total	Principal	Interest
2026	$ 1,280,394	$ 893,032	$ 387,362
2027	1,094,997	731,231	363,766
2028	758,875	413,458	345,417
2029	706,356	372,947	333,409
2030	593,963	270,218	323,745
2031 - 2035	3,219,393	1,749,060	1,470,333
2036 - 2040	3,359,814	2,213,272	1,146,542
2041 - 2045	3,366,609	2,650,368	716,241
2046 - 2050	2,262,747	2,064,845	197,902
2051 - 2055	126,748	54,798	71,950
2056 - 2060	126,747	66,698	60,049
2061 - 2065	126,748	81,183	45,565
2066 - 2070	126,747	98,813	27,934
2071 - 2074	97,171	90,057	7,114
Total	$ 17,247,309	$ 11,749,980	$ 5,497,329

Business Type Activities

Fiscal Year Ending	Total	Principal	Interest
2026	$ 13,645	$ 13,233	$ 412
2027	4,161	4,007	154
2028	1,812	1,739	73
2029	1,356	1,336	20
Total	$ 20,974	$ 20,315	$ 659

K. Subscription-based Information Technology Arrangements (SBITA) Payable

The County is the user of subscription-based software in several departments throughout its operations. Subscription terms range between thirteen months to six years and the interest rate used to calculate the County's payable is 2.4 to 3.8%. The County's outstanding SBITA payable at September 30, 2025 for governmental activities is $1,633,741 and for business-type activities is $281,801. There were modifications during the year that resulted in a net $888,997 change in the liability. The future debt service on this payable is as follows.

Governmental Activities

Fiscal Year Ending	Payment	Principal	Interest
2026	$ 936,500	$ 884,641	$ 51,859
2027	716,066	691,327	24,739
2028	59,500	57,773	1,727
Total	$ 1,712,066	$ 1,633,741	$ 78,325

Business-Type Activities

Fiscal Year Ending	Payment	Principal	Interest
2026	$ 148,519	$ 138,430	$ 10,089
2027	148,231	143,100	5,131
2028	273	271	2
Total	$ 297,023	$ 281,801	$ 15,222

NOTE 6 – RISK MANAGEMENT PROGRAM

The County maintains a risk management program whereby the County is responsible for specific workers' compensation claims, general property and casualty, and automobile liabilities. The activities of the risk management program are accounted for in an internal service fund. The program covers individual workers' compensation claims up to $1,000,000. The County allocates costs to funds and functions based on standard workers' compensation premium schedules. The program covers individual property damage claims up to $100,000 and $100,000 for general liability and automobile liability claims. Excess coverage for property claims is the scheduled value of approximately $500 million. The excess coverage for workers' compensation, general liability and automobile liability have been discontinued during the fiscal year. In addition, there have been no settlements which exceeded the County's insurance coverage for each of the past three fiscal years.

All departments of the County participate in the program. Payments are made by various funds to the self-insurance fund based on past experience of the amounts needed to pay current year claims. For the year ended September 30, 2025, the County obtained actuarially determined estimates of the total claims loss reserves for workers' compensation, general liability and automobile liability self insurance risks. The claims liability of $8,404,856 reported in the governmental activities statement of net position as of September 30, 2025 is based on the requirements of GAAP which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued when insured events occur. The liability reported includes non-incremental claims adjustment expenses as part of the liability for claims and judgments.

The risk management program is also used to account for the amounts collected and disbursed to a third-party insurer for the County employees' major medical, disability income, and life insurance. Changes in the risk management program's claims liability, for the past two fiscal years, are as follows:

Fiscal Year	Beginning Beginning	Current Year Claims / Changes in Estimates	Current Year Claims Payments	Ending Balance
2023-2024	$ 7,094,058	$ 10,870,435	$ (9,929,768)	$ 8,034,725
2024-2025	8,034,725	7,942,153	(7,572,022)	8,404,856

The County's Internal Service Fund provides the participants' comprehensive safety programs, management of insurance, casualty/liability review and reduction, self insurance or pooled insurance programs, and claims management.

NOTE 7 – RETIREMENT SYSTEM

A. The Florida Retirement System

1. Plan Description, Membership and Plan Benefits, and Contribution Requirements

Plan Description

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

The FRS and HIS are administered by the Florida Department of Management Services, Division of Retirement. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code. The Florida Legislature has the authority to establish and amend retirement legislation and related bills of significance to members of the FRS and HIS plans (including benefit terms and contribution rates). Passed bills are presented to the Governor of Florida and approved before they may be enacted into law.

The FRS and HIS financial information are included in the Florida Retirement System (System) Pension Plan and Other State-Administered Systems' Annual Comprehensive Financial Report (ACFR). Reporting of the FRS and HIS are on the accrual basis of accounting. Employer contributions are recognized when due in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. The fiduciary net positions of the FRS and HIS were determined on the same basis used by the pension plans. The State Board of Administration invests the assets of the pension plans held in the FRS Trust. Investments are reported at fair value which are obtained from independent pricing service providers using quoted market prices. The System ACFR, including audited financial information to support the Schedules of Employer Allocations and Schedules of Pension Amounts by Employer, are available online at: http://www.dms.myflorida.com/workforce_operations/retirement/publications.

The System ACFR and actuarial reports may also be obtained by contacting the Division of Retirement by mail or phone at:

Department of Management Services
Division of Retirement
Bureau of Research and Member Contributions
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706

Membership and Plan Benefits - FRS

The FRS has several classes of membership applicable to the County, including regular class, special risk, elected officers, senior management, and DROP. The FRS Pension Plan provides for the vesting of benefits after six years of creditable service or after eight years of creditable service for members first enrolled after July 1, 2011. Members are eligible for normal retirement when they have met the minimum requirements listed below. Early retirement may be taken any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement age. Members are also eligible for in-line-of-duty or regular disability benefits if permanently disabled and unable to work. Benefits are computed on the basis of age, average final compensation, creditable years of service, and accrual value by membership class.

A DROP was established effective July 1, 1998, subject to provisions of Section 121.091, Florida Statutes. It permits employees eligible for normal retirement under the FRS to defer receipt of monthly benefit payment while continuing employment with a Florida Retirement System employer. An employee may participate in the DROP for a period not to exceed 96 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the Florida Retirement System Trust Fund and accrue interest.

Normal Retirement Requirements

Regular Class, Senior Management Service Class, and Elected Officers' Class	Six years of service and age 62, or the age after 62 the member becomes vested, or thirty years of service, regardless of age, whichever comes first. Eight years of service for members first enrolled after July 1, 2011 and age 65 the member becomes vested, or the age after 65 the member becomes vested, or thirty three years of service regardless of the age before 65.
Special Risk Class	Six years of special risk service and age 55; or twenty-five total years special risk service, regardless of age; or twenty-five years of service at age 52 that may include up to 4 years of wartime military service credit under section 121.021 Florida Statutes.
Special Risk Administrative Support Class	Special risk requirements apply to service in this class if member has six years (eight years for members first enrolled after July 1, 2011) actual special risk service; otherwise regular member requirements apply.

Membership and Plan Benefits - HIS

HIS membership is available to all members within the FRS and INV plans. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $7.50. The minimum payment is $45, and the maximum payment is $225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Contribution Requirements

The contribution rates for FRS and HIS members are established, and may be amended, by the State of Florida. Employer contributions rates are actuarially recommended but set by the Legislature. These rates are a percentage of covered payroll. The FRS and HIS contribution rates were as follows:

	10/1/24-6/30/25	**7/1/25-9/30/25**
Regular Class – Members not qualifying for other classes.	13.63%	14.03%
Special Risk Class – Members employed as law enforcement officers, firefighters, or correctional officers meet the criteria to qualify for this class.	32.79%	35.19%
Senior Management	34.52%	33.24%
Special Risk Administrative Support	39.82%	39.48%
Elected County Officers	58.68%	54.57%
Deferred Retirement Option Program (DROP)	21.13%	22.02%

Employer rates include 2.00% from 10/1/24-9/30/25 for the HIS program. In addition, other than for the DROP, rates include .06% from 10/1/24-9/30/25 for administrative costs.

The County's contributions recognized during the fiscal year ended September 30, 2025 by the FRS and HIS were $43,969,980 and $4,446,414 respectively.

As of July 1, 2011, members contribute 3% of their salary as retirement contributions. Members participating in DROP are not required to make 3% contributions.

2. FRS and HIS Rate of Return, Discount Rate Sensitivity and Significant Actuarial Assumptions

Long-Term Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2025 the FRS Actuarial Assumption Conference reviewed assumptions by Milliman's Capital Markets Assumption team. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return
Cash	1.0%	3.2%
Fixed Income	29.0%	5.5%
Global Equity	45.0%	8.5%
Real Estate (Property)	12.0%	8.4%
Private Equity	11.0%	12.4%
Strategic Investments	2.0%	6.5%
	100.0%	

The HIS is essentially funded on a pay-as-you go basis and the depletion date is considered to be immediate. As such, there is no assumption for a long-term expected rate of return on a portfolio, no assumptions for cash flows into and out of the plan, or assumed asset allocation.

Discount Rate Sensitivity Analysis

The following tables demonstrate the sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact if the discount rate was 1.0% higher or 1.0% lower than the current discount rate at June 30, 2025.

FRS Net Pension Liability (Asset)			HIS Net Pension Liability (Asset)		
1% Decrease	Current Discount Rate	1% Increase	1% Decrease	Current Discount Rate	1% Increase
5.70%	6.70%	7.70%	4.20%	5.20%	6.20%
$ 431,035,607	$ 219,637,706	$ 42,404,762	$ 70,069,559	$ 62,137,078	$ 55,484,249

Actuarial Methods and Assumptions

Actuarial assumptions for both the FRS and HIS are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually and the HIS has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS and HIS was completed for the period July 1, 2018 through June 30, 2023.

The total pension liability for the FRS was determined by actuarial valuation as of July 1, 2025 and the HIS by actuarial valuation as of July 1, 2024 rolled forward to June 30, 2025, using the individual entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth for both plans is assumed at 3.50%. Benefits received by retirees and beneficiaries of the FRS Plan are increased by a COLA each year based on their previous year benefit amount. Retirements prior to August 2011 receive a 3% COLA adjustment, and retirees after August 2011 received a formula-structured COLA. Mortality assumptions for the FRS were based on the PUB2010 base table varied by member category and sex, projected generationally with scale MP-2021; and on the Generational PUB-2010 with projection scale MP-2021 for the HIS. Both the discount rate and long-term expected rate of return used for FRS investments is 6.70%, no change from the prior year. The FRS fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because the HIS uses a pay-as-you-go funding structure, a municipal bond rate of 5.20% was used to determine its total pension liability. In October 2024, the Actuarial Assumptions Conference adopted the Bond Buyer General Obligation 20-Bond Municipal Bond Index as the applicable municipal bond index. As of June 30, 2025, the municipal rate used by HIS increased from 3.93% to 5.20%.

B. Net Pension Liability, Deferred Outflows/Inflows of Resources, and Pension Expense for County Defined Benefit Pension Plans

1. Proportionate Share of FRS and HIS Plans

Employers participating in the FRS and HIS were provided pension allocation schedules for use in recording their proportionate share of the FRS and HIS collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pensions expense at measurement date June 30, 2025 in accordance with GASB Statements No. 68, *Accounting and Financial Reporting for Pensions* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of Statement No. 68.* The underlying financial information used to prepare the pension allocation schedules was based on the same basis as mentioned previously, and on the actuarial valuations mentioned previously for the FRS and the HIS. The County's proportionate share was calculated using the retirement contributions for employees that were members of the FRS and HIS during the measurement year ended June 30, 2025. The aggregate employer contribution amounts in the pension allocation schedules agree to the total employer contribution amounts reported in the System ACFR.

At September 30, 2025, the County reported a net pension liability of $281,774,784 for its proportionate share of the collective net pension liability of the FRS and HIS. The following table presents information on the County's proportionate share of the FRS and HIS:

	FRS	HIS	County Total
Proportionate Share of Net Pension Liability at June 30, 2025	$ 219,637,706	$ 62,137,078	$ 281,774,784
County's proportion at June 30, 2025	0.007077	0.004848	
County's proportion at June 30, 2024	0.006794	0.004641	
Change in proportion during current year	0.000283	0.000207	

2. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended September 30, 2025, the County recognized pension expense of $33,637,990. Pension expense of $30,010,431 was related to the FRS Plan, and pension expense of $3,627,559 was related to the HIS Plan. At September 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS		County Total Deferred Outflows
	Def Outflows	Def Inflows	Def Outflows	Def Inflows	/ (Deferred Inflows)
Differences between expected and actual experience	$ 23,459,619		$ 370,917		$ 23,830,536
		$ -		$ (98,568)	(98,568)
Changes of assumptions	25,505,643		549,982		26,055,625
		-		(15,029,365)	(15,029,365)
Net difference between projected and actual investment earnings	-		-		-
		(36,670,732)		(51,717)	(36,722,449)
Changes in proportion	24,120,717		7,804,754		31,925,471
		(2,716,667)		(438,296)	(3,154,963)
County contributions subsequent to the measurement date	12,949,375		1,243,709		14,193,084
Total Deferred Outflows	$ 86,035,354		$ 9,969,362		$ 96,004,716
Total Deferred (Inflows)		$ (39,387,399)		$ (15,617,946)	$ (55,005,345)

Deferred outflows of resources of $14,193,084 are reported by the County for employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Reporting Year Ending June 30,	FRS	HIS	County Total Deferred Outflows / (Deferred Inflows)
2026	$ 41,669,531	$ (953,733)	$ 40,715,798
2027	871,319	(1,958,040)	(1,086,721)
2028	(3,692,161)	(1,641,155)	(5,333,316)
2029	(5,150,109)	(1,330,214)	(6,480,323)
2030	-	(1,009,151)	(1,009,151)
Totals	$ 33,698,580	$ (6,892,293)	$ 26,806,287

C. Defined Contribution Retirement Plan

The County contributes to the Florida Retirement System Investment Plan (INV), the integrated defined contribution investment plan described above. The INV is administered by the Florida Department of Management Services, Division of Retirement. Benefit terms, including contribution requirements, for the INV are established and may be amended by the Florida Legislature. For each employee in the INV, the County must contribute at the blended uniform rate structure as previously disclosed for the FRS Plan. Employees are required to contribute 3% of salary. For the year ended September 30, 2025, the County recognized pension expense of $4,874,096.

The detail of pension expense by each County Officer for the defined contribution investment plan is as follows:

County Officer	Pension Expense
Board of County Commissioners	$ 2,473,738
Clerk of the Circuit Court and Comptroller	247,344
Property Appraiser	23,865
Sheriff	1,991,784
Supervisor of Elections	9,939
Tax Collector	127,426
Total	$ 4,874,096

Employer contributions and earnings on those contributions are vested according to the same schedule as disclosed for the FRS Plan. Nonvested County contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the INV's administrative expenses. For the fiscal year ended September 30, 2025, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY

In 2018, the County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for accounting and financial reporting for its Other Postemployment Benefits Plan (OPEB Plan).

Plan Description, Benefit Terms and Contribution Requirements
The OPEB Plan is a single-employer benefit plan administered by the County. Retirees are charged whatever the insurance company charges for the type of coverage elected. However, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees usually have higher costs, which means that the County is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of that premium on behalf of the active employees. In addition to this implicit rate subsidy, the Marion County Sheriff's Office provides retirees with a direct subsidy of $7.50 per month per each credited year of service with the Sheriff's Office. This amount is limited to $225 per month and in no event will it exceed total cost of health insurance net of the Florida Retirement System's (FRS) health insurance subsidy. This subsidy is only available until the retiree becomes Medicare eligible. The health insurance subsidy is provided under the FRS and is not considered part of GASB No. 75.

Retirees and their dependents are permitted to remain covered under the County's respective medical and insurance plans as long as they pay a full premium applicable to coverage elected, subject to direct subsidies discussed above. This conforms to the minimum required of Florida governmental employers per Ch. 112.08, F.S. Benefits that exceed this minimum are established and may be amended through action from the Board of County Commissioners (the "Board"). The OPEB Plan does not issue a stand-alone report and is not included in the report of any other entity. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

At September 30, 2024 (measurement date), the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	301
Active employees	2,661
Total	2,962

Contributions (benefit payment reductions) to the OPEB Plan are shared by the retiree and the County. OPEB Plan participants must reimburse the County for the County's average blended cost. Contributions requirements of the County are established and may be amended through action by the Board.

Total OPEB Liability and Changes in Total OPEB Liability
The measurement date for the County's total OPEB liability was September 30, 2024, one year prior to the County's fiscal reporting date of September 30, 2025. The measurement period for OPEB cost was October 1, 2023 to September 30, 2024. The components of the County's total OPEB liability reported at September 30, 2025 are as follows:

Total OPEB liability	$ 26,107,492
OPEB Plan fiduciary net position	-
County's net OPEB liability	$ 26,107,492
OPEB Plan fiduciary net position as percentage of total OPEB liability	0.0%

The components of the changes in the total OPEB liability are as follows:

	Fiscal Year 2025
Total OPEB Liability	
Service Cost	$ 1,117,442
Interest	1,088,454
Difference between Expected and Actual Experience	-
Change in Assumptions	2,124,790
Benefit Payments	(1,228,944)
Other Changes	-
Net Change in Total OPEB Liability	3,101,742
Total OPEB Liability - beginning	23,005,750
Total OPEB Liability - ending	$ 26,107,492

Changes of assumptions and other inputs reflect a change in the discount rate from 4.63% at the beginning of the measurement period to 3.81% as of September 30, 2024.

Actuarial Assumptions and OPEB Liability Sensitivity to Healthcare Trend Rate
The total OPEB liability reported at September 30, 2025 was based on an actuarial valuation dated September 30, 2023, using the following actuarial assumptions:

Inflation	2.50% per annum
Discount rate	3.81%
Salary increases	Rates used in the July 1, 2023 actuarial valuation of the FRS; 3.4 - 8.2%
Mortality rates	Mortality tables used in the July 1, 2023 actuarial valuation of the FRS. Taken from adjusted Pub-2010 mortality tables using scale MP-2018.
Healthcare trend	Based on the Getzen model, with trend starting at 6.25% and gradually decreasing to ultimate trend rate of 4.00%

The development of per capita costs included aging factors based on the 2013 Society of Actuaries Study "Healthcare Costs - From Birth to Death". There have been no significant changes (other than premium rate increases) in any health benefits or life insurance benefits between September 30, 2024 and September 30, 2025.

Sensitivity of OPEB liability to healthcare trend rate
The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1% lower or 1% higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$ 22,472,927	$ 26,107,492	$ 30,813,066

Discount Rate and OPEB Liability Sensitivity to Discount Rate
The discount rate used to measure the total OPEB liability reported as of September 30, 2025 was 3.81%. Because the County's OPEB costs are essentially funded on a pay-as-you-go funding structure, a municipal bond

rate was used to determine the total OPEB liability for the OPEB Plan. Fidelity's 20-Year Municipal G.O. AA Index daily rate closest but not after the measurement date was used for this purpose.

Sensitivity of OPEB liability to discount rate
The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	$ 29,027,421	$ 26,107,492	$ 23,546,475

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB
For the year ended September 30, 2025, the County recognized OPEB expense of $1,680,522. At September 30, 2025, the County had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	$ 804,049	$ 1,288,120
Changes in assumptions and other inputs	3,768,889	5,268,404
Benefit payments subsequent to measurement date	1,305,885	0
	$ 5,878,823	$ 6,556,524

Deferred outflows of resources of $1,305,885 are reported by the County for employer benefit payments subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability in the year ended September 30, 2026. Deferred inflows of resources shown above will be recognized in OPEB expense in the following years:

Fiscal Year Ending	Net Inflows
Sept 30, 2026	$ (525,374)
Sept 30, 2027	(525,374)
Sept 30, 2028	(494,355)
Sept 30, 2029	(396,735)
Sept 30, 2030	(337,791)
Thereafter	296,043
	$ (1,983,586)

NOTE 9 – DEFERRED OUTFLOWS OF RESOURCES ON REFUNDING

The balance of deferred outflows on refunding in the County Utility Fund at September 30, 2025 was $1,788,910. In the current year, $223,614 was charged to interest expense. The balance of deferred outflows on refunding in governmental activities at September 30, 2025 was $1,822,052. In the current year, $218,074 was charged to interest expense.

NOTE 10 – RESTRICTED NET POSITION FOR OTHER PURPOSES

Restricted Net Position for Other Purposes of the County's governmental activities at September 30, 2025, are as follows:

Community Redevelopment	$ 892,677
Courts	806,926
Inmate Benefits	2,780,161
Public Safety	2,411,945
Records Modernization	4,332,627
	$ 11,224,336

NOTE 11 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The County is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Claims covered by the risk management self insurance program are reviewed and losses are accrued as required in the judgment of management. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of the remaining lawsuits and claims will not have a material adverse effect on the financial position of the County.

B. Grants

Amounts received or receivable from the grantor agencies are subject to audit and adjustment by grantor agencies. If expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the County. In the opinion of management, any such adjustments would not be significant.

C. Pollution Remediation Obligation

The County has recorded in its financial statements a cost estimate for pollution remediation at the Martel, Davis and Newton Landfill owned and/or operated by the County. These sites have been identified by environmental regulators as locations where historic uses have contributed to various forms of environmental pollution to the properties. The County has reported a cumulative liability of $2,920,689 at September 30, 2025, to address required environmental cleanup costs associated with these sites. The estimate of costs used to establish the liability was developed through extensive site analysis by independent engineers retained by the County. The liability was measured by estimating a reasonable range of potential outlays and multiplying those outlays by their probability of occurrence. The liability could change due to price increases or reductions, technology, or changes in applicable laws or regulations. The County believes that its maximum exposure for the Newton cleanup is not currently estimable. Costs of cleaning up the site and restoration of natural resources will be estimated upon completion of the site assessment and investigation. The County does not expect to recover any amounts for remediation cost from any other party.

D. Developer Agreements

The County has entered into several developer agreements which may result in future financial obligations. These agreements with various developers are primarily for capital cost associated with road construction or transportation projects, in which a future asset may be contributed to the County or will benefit the County. The County has agreed to provide up to $7.03 million in credits, waivers, reductions and/or direct payments for future building impact fees.

E. Landfill Disposal Agreement

The County has entered into an agreement with A.C.M.S. Inc. to secure long-term disposal rights for municipal solid waste in a fully permitted, fully operational Class I landfill in Sumter County. The County will receive a significantly reduced rate for disposal rights in consideration for the prepayment of those rights. The County's upfront payments, which will be disbursed as construction related payments, will enable A.C.M.S. Inc to fund the construction of the First cell of the Landfill. The upfront payment will secure for the County, a warranted and unencumbered, limited property interest in the Landfill, a long-term service agreement in the nature of a prepaid tipping fee, and certain performance security rights on behalf of the public interest in the event of a default. As of September 30, 2025, the remaining portion of the prepaid landfill fee is $13,039,405. The initial $20,000,000 prepaid landfill fee represents the tipping fee for the right to dispose of 2.5 million tons of solid waste at the facility for a period up to 30 years. The landfill construction was completed in 2013; shipping of solid waste from Marion County to A.C.M.S. started in August 2019. In fiscal year 2021, the County secured an additional 140,000 tons of disposal capacity for $3,300,000.

F. Contingencies

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) pandemic. The outbreak of COVID-19 resulted in significant impacts on the US economy and the County. In March 2021, the American Rescue Plan Act (ARPA) was signed into law. Section 9901 of ARPA created the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF). The County's planned use of the ARPA Funds will include the standard allowance for revenue replacement, water and sewer line extensions, affordable housing initiatives, and assistance for non-profit entities. The County spent $22,767,307 of ARPA funds during fiscal year 2025.

NOTE 12 – LEASE REVENUE AND RECEIVABLES

The County is the lessor in contracts with outside parties for the right to use several of its facilities, land and equipment. A description of the significant leasing activities is provided in the table below.

Description of Leased Item	Type	Lease Term	Payments	Frequency	Interest Rate
Tower and ground (cell tower)	Land	85 - 324 months	$ 19,829	Monthly	1.51 - 2.56%
Dunnellon Airport grounds	Land	74 - 908 months	1,291	Monthly	1.36 - 2.72%
Tower and ground (cell tower)	Infrastructure	171 - 402 months	11,312	Monthly	2.04 - 2.28%
Withlacoochee Building	Building	66 months	7,298	Monthly	1.36%

The County has $6,055,378 in outstanding lease receivables at September 30, 2025. During the fiscal year, the County recognized $214,782 in lease revenue and $80,953 in lease interest revenue for business-type activities, and $256,599 in lease revenue and $67,882 in lease interest revenue for governmental activities.

NOTE 13 – RESTATEMENT

The County's fiscal year 2025 financial statements include a restatement due to the effect of implementation of GASB Statement No. 101, *Compensated Absences*. This implementation resulted in an increase in the County's compensated absences liability and offsetting reduction in net position The effect of these changes is provided in the table below.

	Governmental Activities	Solid Waste	Marion County Utility	Business-Type Activities
Beginning Net Position, Originally Reported	$ 1,772,756,657	$ 67,200,537	$ 218,190,925	$ 285,391,462
Restatement from GASB 101 Implementation	(2,360,015)	(161,462)	(333,745)	(495,207)
Beginning Net Position, as Restated	1,770,396,642	67,039,075	217,857,180	284,896,255
Compensated Absences Liability	2,360,015	161,462	333,745	495,207

REQUIRED SUPPLEMENTARY INFORMATION

Other Post Employment Benefits:
- Schedule of Changes in Total OPEB Liability and Related Ratios

Retirement Benefits:
- Schedule of Proportionate Share of Net Pension Liability
- Schedule of Contributions

MARION COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	$ 1,117,442	$ 845,856	$ 1,334,082	$ 1,311,650	$ 1,227,365	$ 1,091,879	$ 1,125,399	$ 1,179,727
Interest	1,088,454	899,085	549,635	555,779	595,615	931,020	851,547	765,798
Difference between expected and and actual experience	-	(432,875)	-	1,153,637	-	(1,999,971)	-	-
Change of assumptions and other inputs	2,124,790	1,782,269	(4,986,906)	5,201	459,949	(1,793,872)	(900,964)	(1,106,172)
Other changes	-	869,914	-	-	-	-	-	-
Benefit payments	(1,228,944)	(1,092,774)	(1,051,886)	(973,301)	(955,827)	(1,073,042)	(1,054,469)	(1,262,060)
Net change in total OPEB liability	$ 3,101,742	$ 2,871,475	$ (4,155,075)	$ 2,052,966	$ 1,327,102	$ (2,843,986)	$ 21,513	$ (422,707)
Total OPEB liability - beginning	23,005,750	20,134,275	24,289,350	22,236,384	20,909,282	23,753,268	23,731,755	24,154,462
Total OPEB liability - ending	$ 26,107,492	$ 23,005,750	$ 20,134,275	$ 24,289,350	$ 22,236,384	$ 20,909,282	$ 23,753,268	$ 23,731,755
Covered-employee payroll	196,429,371	160,474,594	154,939,735	132,952,100	135,116,212	114,699,233	116,623,357	89,281,518
Total OPEB liability as a percentage of covered-employee payroll	13.29%	14.34%	12.99%	18.27%	16.46%	18.23%	20.37%	26.58%

Fiscal year 2018 presents information on the Plan's measurement year ended September 30, 2017.

Notes to the Schedule:

Note 1: GASB 75 requires information for 10 years. However, until a full 10-year trend is compiled, the County is presenting information only for those years for which information is available.

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Note 3: Significant assumptions changes 2025 - discount rate decreased to 3.81% from 4.63%.

MARION COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS

Florida Retirement System (FRS):

	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability (Note 1)
2016	0.5513325%	$ 139,211,883	$ 95,274,707	146.12%	84.88%
2017	0.5663504%	167,522,637	101,410,129	165.19%	83.89%
2018	0.5598007%	168,614,872	103,346,965	163.15%	84.26%
2019	0.5805394%	199,929,674	110,178,939	181.46%	82.61%
2020	0.6185238%	268,077,323	118,552,227	226.13%	78.85%
2021	0.5813069%	43,911,130	122,159,645	35.95%	96.40%
2022	0.5937056%	220,906,207	130,359,887	169.46%	82.89%
2023	0.6234042%	248,406,843	147,143,736	168.82%	82.38%
2024	0.6793880%	262,819,240	161,902,953	162.33%	83.70%
2025	0.7077070%	219,637,706	177,375,477	123.83%	87.26%

Health Insurance Subsidy (HIS):

	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability (Note 1)
2016	0.3518884%	$ 41,011,130	$ 108,783,713	37.70%	0.97%
2017	0.3610185%	38,601,767	115,235,470	33.50%	1.64%
2018	0.3657523%	38,711,634	119,652,380	32.35%	2.15%
2019	0.3833168%	42,889,318	128,429,647	33.40%	2.63%
2020	0.4010172%	48,963,541	139,305,377	35.15%	3.00%
2021	0.4128517%	50,642,470	146,191,179	34.64%	3.56%
2022	0.4263124%	45,153,296	155,685,450	29.00%	4.81%
2023	0.4440176%	70,515,924	176,331,882	39.99%	4.12%
2024	0.4641309%	69,624,169	196,612,568	35.41%	4.80%
2025	0.4847852%	62,137,078	217,182,165	28.61%	6.36%

* The amounts presented for each measurement year were determined as of 6/30.

Note 1: The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the Plan's Annual Comprehensive Financial Report

MARION COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS

Florida Retirement System (FRS):

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll
2016	$ 13,857,372	$ 13,857,372	$ -	$ 95,731,450	14.48%
2017	14,335,785	14,335,785	-	99,263,859	14.44%
2018	16,268,875	16,268,875	-	103,902,811	15.66%
2019	18,713,661	18,713,661	-	113,076,597	16.55%
2020	21,000,536	21,000,536	-	119,362,364	17.59%
2021	23,066,172	23,066,172	-	125,452,046	18.39%
2022	27,094,262	27,094,262	-	137,007,572	19.78%
2023	32,228,195	32,228,195	-	151,556,119	21.26%
2024	39,570,653	39,570,653	-	165,380,147	23.93%
2025	43,969,980	43,969,980	-	181,593,015	24.21%

Health Insurance Subsidy (HIS):

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll
2016	$ 1,809,176	$ 1,809,176	$ -	$ 109,096,038	1.66%
2017	1,875,044	1,875,044	-	113,079,396	1.66%
2018	1,998,541	1,998,541	-	120,571,326	1.66%
2019	2,186,699	2,186,699	-	132,039,207	1.66%
2020	2,340,650	2,340,650	-	140,968,859	1.66%
2021	2,477,966	2,477,966	-	150,026,553	1.65%
2022	2,724,945	2,724,945	-	163,833,078	1.66%
2023	3,185,776	3,185,776	-	182,037,739	1.75%
2024	4,028,973	4,028,973	-	201,227,601	2.00%
2025	4,446,414	4,446,414	-	223,174,324	1.99%

* The amounts presented for each fiscal year were determined as of 9/30.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The following change in an actuarial assumption occurred in 2025:
- HIS: The municipal rate used to determine total pension liability was increased from 3.93% to 5.20%.

The following change in an actuarial assumption occurred in 2024:
- HIS: The municipal rate used to determine total pension liability was increased from 3.65% to 3.93%.

The following change in an actuarial assumption occurred in 2023:
- HIS: The municipal rate used to determine total pension liability was increased from 3.54% to 3.65%.

The following changes in actuarial assumptions occurred in 2022:
- FRS: The long-term expected rate of return decreased from 6.80% to 6.70%.
- HIS: The municipal rate used to determine total pension liability was increased from 2.16% to 3.54%.

The following change in an actuarial assumption occurred in 2021:
- HIS: The municipal rate used to determine total pension liability was decreased from 2.21% to 2.16%.

The following changes in actuarial assumptions occurred in 2020:
- FRS: The long-term expected rate of return decreased from 6.90% to 6.80%.
- HIS: The municipal rate used to determine total pension liability was decreased from 3.50% to 2.21%.

The following changes in actuarial assumptions occurred in 2019:
- FRS: The long-term expected rate of return decreased from 7.00% to 6.90%.
- HIS: The municipal rate used to determine total pension liability was decreased from 3.87% to 3.50%.

The following changes in actuarial assumptions occurred in 2018:
- FRS: The long-term expected rate of return decreased from 7.10% to 7.00%.
- HIS: The municipal rate used to determine total pension liability was increased from 3.58% to 3.87%.

The following changes in actuarial assumptions occurred in 2017:
- FRS: The long-term expected rate of return decreased from 7.60% to 7.10%.
- HIS: The municipal rate used to determine total pension liability was increased from 2.85% to 3.58%.

The following changes in actuarial assumptions occurred in 2016:
- FRS: There were no significant changes in actuarial assumptions. The inflation rate assumption remained at 2.60%, the real payroll growth assumption remained at 0.65%, and the overall payroll growth rate assumption remained at 3.25%. The long-term expected rate of return decreased from 7.65% to 7.60%.
- HIS: The municipal rate used to determine total pension liability was decreased from 3.80% to 2.85%.

OTHER SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule:

- Infrastructure Surtax Capital Projects Fund

General Fund:

- Combining Balance Sheet and Combining Schedules for General Fund

Non- Major Governmental Funds:

- Combining Financial Statements for All Nonmajor Governmental Funds and Individual Budgetary Comparison Schedules for all Budgeted Nonmajor Governmental Funds

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
INFRASTRUCTURE SURTAX CAPITAL PROJECTS
For the Year Ended September 30, 2025

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes	$ 68,307,747	$ 71,247,707	$ 2,939,960
Investment Income	4,104,000	6,855,203	2,751,203
Miscellaneous Revenues	-	1,900	1,900
Total Revenues	72,411,747	78,104,810	5,693,063
EXPENDITURES			
Capital Outlay	213,251,355	52,272,797	160,978,558
Total Expenditures	213,251,355	52,272,797	160,978,558
Net Change in Fund Balance	(140,839,608)	25,832,013	166,671,621
Fund Balance - Beginning	140,839,608	143,065,459	2,225,851
Fund Balance - Ending	$ -	$ 168,897,472	$ 168,897,472

GOVERNMENTAL FUNDS

GENERAL FUND

The *General Fund* is the government's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund includes the Board of County Commissioners, Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector:

Board of County Commissioners
This fund is the primary operating fund of Marion County. It is used to account for all financial resources of the general government except those required to be accounted for in other funds.

Clerk of the Circuit Court and Comptroller
This fund reflects the activities of the Office of the Clerk of Circuit Court and Comptroller. Services provided are in accordance with provisions of the Florida Statutes related primarily to the county and circuit court systems, recording operations, and various other services.

Property Appraiser
This fund reflects the operations of the Office of the Property Appraiser who provides independent appraisals of tangible and personal property for all taxing authorities within the County.

Sheriff
This fund reflects the operations of the Office of the Sheriff. Services provided are for all the law enforcement activities within the County.

Supervisor of Elections
This fund reflects the operations of the Office of the Supervisor of Elections in the performance of its duties in accordance with Florida Statutes.

Tax Collector
This fund reflects the operations of the Office of the Tax Collector who collects and remits ad valorem taxes, licenses, and other revenues, to the related taxing authorities.

MARION COUNTY, FLORIDA
COMBINING BALANCE SHEET
GENERAL FUND BY CATEGORY
September 30, 2025

	Board of County Commissioners	Clerk of the Circuit Court	Property Appraiser	Sheriff	Supervisor of Elections	Tax Collector	Eliminations	Total General Funds
ASSETS								
Cash and Cash Equivalents	$ 73,878,716	$ 4,351,751	$ 151,399	$ 11,630,502	$ 58,420	$ 921,753	$ -	$ 90,992,541
Investments	38,866,858	-	-	-	-	-	-	38,866,858
Accounts Receivable	12,207,404	23,876	-	817,931	-	-	-	13,049,211
Accrued Interest Receivable	216,458	-	-	-	-	-	-	216,458
Leases Receivable - Current	208,706	-	-	-	-	-	-	208,706
Leases Interest Receivable	4,001	-	-	-	-	-	-	4,001
Due from Other Funds	3,115,245	1,373	-	42,172	-	-	(3,147,567)	11,223
Due from Other Governments	6,333,681	202,005	-	-	-	368,645	-	6,904,331
Inventories	1,991,462	-	-	-	-	-	-	1,991,462
Prepaid Items	203,906	133,746	6,955	-	-	2,622	-	347,229
Leases Receivable	1,896,219	-	-	-	-	-	-	1,896,219
Total Assets	$ 138,922,656	$ 4,712,751	$ 158,354	$ 12,490,605	$ 58,420	$ 1,293,020	$ (3,147,567)	$ 154,488,239
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts Payable	$ 6,818,718	$ 81,777	$ -	$ 4,614,408	$ 10,398	$ 92,538	$ -	$ 11,617,839
Contracts Payable	551,273	-	-	-	-	-	-	551,273
Accrued Liabilities	1,624,801	268,326	42,372	-	45,380	337,760	-	2,318,639
Due to Other Funds	92,356	975,778	114,580	4,480,874	2,642	862,722	(3,147,567)	3,381,385
Due to Other Governments	7,258,405	3,198,000	1,402	-	-	-	-	10,457,807
Due to Individuals	-	148,641	-	3,395,323	-	-	-	3,543,964
Deposits	215,057	40,229	-	-	-	-	-	255,286
Unearned Revenues	5,709,707	-	-	-	-	-	-	5,709,707
Total Liabilities	22,270,317	4,712,751	158,354	12,490,605	58,420	1,293,020	(3,147,567)	37,835,900
Deferred Inflows of Resources:								
Deferred Inflows - Leases	1,949,328	-	-	-	-	-	-	1,949,328
Unavailable Revenues	3,544,879	-	-	-	-	-	-	3,544,879
Total Deferred Inflows of Resources	5,494,207	-	-	-	-	-	-	5,494,207
Fund Balances:								
Nonspendable:								
Inventories	1,991,462	-	-	-	-	-	-	1,991,462
Prepaid Items	203,906	133,746	6,955	-	-	2,622	-	347,229
Assigned to:								
Subsequent Year's Budget	78,022,431	-	-	-	-	-	-	78,022,431
Unassigned	30,940,333	(133,746)	(6,955)	-	-	(2,622)	-	30,797,010
Total Fund Balances	111,158,132	-	-	-	-	-	-	111,158,132
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 138,922,656	$ 4,712,751	$ 158,354	$ 12,490,605	$ 58,420	$ 1,293,020	$ (3,147,567)	$ 154,488,239

MARION COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GENERAL FUND BY CATEGORY
For the Year Ended September 30, 2025

	Board of County Commissioners	Clerk of the Circuit Court	Property Appraiser	Sheriff	Supervisor of Elections	Tax Collector	Eliminations	Total General Funds
REVENUES								
Taxes	$ 111,905,474	$ -	$ -	$ -	$ -	$ -	$ -	$ 111,905,474
Permits and Fees	2,475	-	-	-	-	-	-	2,475
Intergovernmental Revenues	57,344,932	441,027	-	-	11,400	-	-	57,797,359
Charges for Services	50,052,759	2,953,554	1,692,395	2,260,203	433,303	-	-	57,392,214
Judgments and Fines	552,722	1,908,287	-	-	-	-	-	2,461,009
Court-Related Revenues	805,536	7,741,253	-	-	-	-	-	8,546,789
Investment Income	6,433,785	477,768	-	-	-	-	-	6,911,553
Miscellaneous Revenues	19,772,030	177,896	-	-	-	-	(12,960,942)	6,988,984
Total Revenues	246,869,713	13,699,785	1,692,395	2,260,203	444,703	-	(12,960,942)	252,005,857
EXPENDITURES								
Current:								
General Government	45,973,780	8,693,306	6,472,485	-	4,346,471	10,880,023	(12,960,942)	63,405,123
Public Safety	53,046,365	-	-	188,639,172	-	-	-	241,685,537
Physical Environment	1,434,187	-	-	-	-	-	-	1,434,187
Transportation	1,597,448	-	-	-	-	-	-	1,597,448
Economic Environment	1,328,169	-	-	-	-	-	-	1,328,169
Human Services	19,564,232	-	-	-	-	-	-	19,564,232
Culture/Recreation	25,762,320	-	-	-	-	-	-	25,762,320
Court-Related	7,816,645	9,353,085	-	-	-	-	-	17,169,730
Debt Service:								
Principal Retirement	1,635,427	288,767	95,395	461,450	83,774	28,324	-	2,593,137
Interest and Fiscal Charges	117,084	18,080	2,879	327,801	1,480	437	-	467,761
Total Expenditures	158,275,657	18,353,238	6,570,759	189,428,423	4,431,725	10,908,784	(12,960,942)	375,007,644
Excess (Deficiency) of Revenues Over (Under) Expenditures	88,594,056	(4,653,453)	(4,878,364)	(187,168,220)	(3,987,022)	(10,908,784)	-	(123,001,787)
OTHER FINANCING SOURCES (USES)								
Transfers In	4,782,402	4,624,419	4,842,987	186,377,012	3,862,039	10,813,858	(98,049,521)	117,253,196
Transfers (Out)	(99,516,929)	-	-	-	-	-	98,049,521	(1,467,408)
Issuance of Notes/Bonds Payable	1,472,860	-	-	-	-	-	-	1,472,860
Issuance of Leases and SBITAs	649,790	29,034	35,377	791,208	124,983	94,926	-	1,725,318
Total Other Financing Sources and (Uses)	(92,611,877)	4,653,453	4,878,364	187,168,220	3,987,022	10,908,784	-	118,983,966
Net Change in Fund Balances	(4,017,821)	-	-	-	-	-	-	(4,017,821)
Fund Balances - Beginning	115,175,953	-	-	-	-	-	-	115,175,953
Fund Balances - Ending	$ 111,158,132	$ -	$ -	$ -	$ -	$ -	$ -	$ 111,158,132

MARION COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2025

	Board of County Commissioners			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 110,795,786	$ 110,795,786	$ 111,905,474	$ 1,109,688
Permits and Fees	1,425	1,425	2,475	1,050
Intergovernmental Revenues	58,928,843	61,229,878	57,344,932	(3,884,946)
Charges for Services	43,910,374	45,930,672	50,052,759	4,122,087
Judgments and Fines	285,950	285,950	552,722	266,772
Court-Related Revenues	635,494	645,894	805,536	159,642
Investment Income	5,609,106	5,609,106	6,433,785	824,679
Miscellaneous Revenues	23,595,348	29,444,473	19,772,030	(9,672,443)
Total Revenues	243,762,326	253,943,184	246,869,713	(7,073,471)
EXPENDITURES				
Current:				
General Government	100,387,958	99,549,225	45,973,780	53,575,445
Public Safety	61,941,698	63,305,122	53,046,365	10,258,757
Physical Environment	1,756,419	1,743,039	1,434,187	308,852
Transportation	1,834,759	1,834,759	1,597,448	237,311
Economic Environment	2,486,054	2,501,054	1,328,169	1,172,885
Human Services	28,157,457	35,014,943	19,564,232	15,450,711
Culture/Recreation	36,044,676	37,606,987	25,762,320	11,844,667
Court-Related	13,527,892	14,227,230	7,816,645	6,410,585
Debt Service:				
Principal Retirement	531,442	586,105	1,635,427	(1,049,322)
Interest and Fiscal Charges	46,992	19,492	117,084	(97,592)
Total Expenditures	246,715,347	256,387,956	158,275,657	98,112,299
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,953,021)	(2,444,772)	88,594,056	91,038,828
OTHER FINANCING SOURCES (USES)				
Transfers In	4,282,402	4,782,402	4,782,402	-
Transfers (Out)	(100,357,915)	(101,712,938)	(99,516,929)	2,196,009
Issuance of Notes/Bonds Payable	-	-	1,472,860	1,472,860
Issuance of Leases and SBITAs	-	-	649,790	649,790
Total Other Financing Sources and (Uses)	(96,075,513)	(96,930,536)	(92,611,877)	4,318,659
Net Change in Fund Balances	(99,028,534)	(99,375,308)	(4,017,821)	95,357,487
Fund Balance - Beginning	99,028,534	99,375,308	115,175,953	15,800,645
Fund Balance - Ending	$ -	$ -	$ 111,158,132	$ 111,158,132

MARION COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2025

	Clerk of the Circuit Court			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental Revenues	$ 358,903	$ 358,903	$ 441,027	$ 82,124
Charges for Services	2,594,584	2,794,584	2,953,554	158,970
Judgments and Fines	2,075,600	2,125,394	1,908,287	(217,107)
Court-Related Revenues	5,958,680	7,525,680	7,741,253	215,573
Investment Income	354,300	454,300	477,768	23,468
Miscellaneous Revenues	185,500	185,500	177,896	(7,604)
Total Revenues	11,527,567	13,444,361	13,699,785	255,424
EXPENDITURES				
Current:				
General Government	9,205,582	9,670,342	8,693,306	977,036
Court-Related	7,727,958	9,344,752	9,353,085	(8,333)
Debt Service:				
Principal Retirement	-	-	288,767	(288,767)
Interest and Fiscal Charges	-	-	18,080	(18,080)
Total Expenditures	16,933,540	19,015,094	18,353,238	661,856
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,405,973)	(5,570,733)	(4,653,453)	917,280
OTHER FINANCING SOURCES (USES)				
Transfers In	5,405,973	5,570,733	4,624,419	(946,314)
Issuance of Leases and SBITAs	-	-	29,034	29,034
Total Other Financing Sources and (Uses)	5,405,973	5,570,733	4,653,453	(917,280)
Net Change in Fund Balances	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ -	$ -

MARION COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2025

	Property Appraiser			
	Original Budget	**Final Budget**	**Actual Amounts**	**Variance with Final Budget Positive (Negative)**
REVENUES				
Charges for Services	$ 1,637,652	$ 1,638,190	$ 1,692,395	$ 54,205
Total Revenues	1,637,652	1,638,190	1,692,395	54,205
EXPENDITURES				
Current:				
General Government	6,585,916	6,595,757	6,472,485	123,272
Debt Service:				
Principal Retirement	-	-	95,395	(95,395)
Interest and Fiscal Charges	-	-	2,879	(2,879)
Total Expenditures	6,585,916	6,595,757	6,570,759	24,998
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,948,264)	(4,957,567)	(4,878,364)	79,203
OTHER FINANCING SOURCES (USES)				
Transfers In	4,948,264	4,957,567	4,842,987	(114,580)
Issuance of Leases and SBITAs	-	-	35,377	35,377
Total Other Financing Sources and (Uses)	4,948,264	4,957,567	4,878,364	(79,203)
Net Change in Fund Balances	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ -	$ -

MARION COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2025

	Sheriff			
	Original Budget	**Final Budget**	**Actual Amounts**	**Variance with Final Budget Positive (Negative)**
REVENUES				
Charges for Services	$ -	$ 2,260,203	$ 2,260,203	$ -
Total Revenues	-	2,260,203	2,260,203	-
EXPENDITURES				
Current:				
Public Safety	186,741,912	191,135,339	188,639,172	2,496,167
Debt Service:				
Principal Retirement	-	-	461,450	(461,450)
Interest and Fiscal Charges	-	-	327,801	(327,801)
Total Expenditures	186,741,912	191,135,339	189,428,423	1,706,916
Excess (Deficiency) of Revenues Over (Under) Expenditures	(186,741,912)	(188,875,136)	(187,168,220)	1,706,916
OTHER FINANCING SOURCES (USES)				
Transfers In	186,741,912	188,875,136	186,377,012	(2,498,124)
Issuance of Leases and SBITAs	-	-	791,208	791,208
Total Other Financing Sources and (Uses)	186,741,912	188,875,136	187,168,220	(1,706,916)
Net Change in Fund Balances	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ -	$ -

MARION COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2025

	Supervisor of Elections			
	Original Budget	**Final Budget**	**Actual Amounts**	**Variance with Final Budget Positive (Negative)**
REVENUES				
Intergovernmental Revenues	$ -	$ -	$ 11,400	$ 11,400
Charges for Services	-	472,000	433,303	(38,697)
Total Revenues	-	472,000	444,703	(27,297)
EXPENDITURES				
Current:				
General Government	3,867,181	4,339,181	4,346,471	(7,290)
Debt Service:				
Principal Retirement	-	-	83,774	(83,774)
Interest and Fiscal Charges	-	-	1,480	(1,480)
Total Expenditures	3,867,181	4,339,181	4,431,725	(92,544)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,867,181)	(3,867,181)	(3,987,022)	(119,841)
OTHER FINANCING SOURCES (USES)				
Transfers In	3,867,181	3,867,181	3,862,039	(5,142)
Issuance of Leases and SBITAs	-	-	124,983	124,983
Total Other Financing Sources and (Uses)	3,867,181	3,867,181	3,987,022	119,841
Net Change in Fund Balances	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ -	$ -

MARION COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2025

	Tax Collector			
	Original Budget	**Final Budget**	**Actual Amounts**	**Variance with Final Budget Positive (Negative)**
EXPENDITURES				
Current:				
General Government	$ 10,988,796	$ 10,961,796	$ 10,880,023	$ 81,773
Debt Service:				
Principal Retirement	8,253	33,253	28,324	4,929
Interest and Fiscal Charges	210	2,210	437	1,773
Total Expenditures	10,997,259	10,997,259	10,908,784	88,475
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,997,259)	(10,997,259)	(10,908,784)	88,475
OTHER FINANCING SOURCES (USES)				
Transfers In	10,997,259	10,997,259	10,813,858	(183,401)
Issuance of Leases and SBITAs	-	-	94,926	94,926
Total Other Financing Sources and (Uses)	10,997,259	10,997,259	10,908,784	(88,475)
Net Change in Fund Balances	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ -	$ -

MARION COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2025

	Eliminations			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Miscellaneous Revenues	$ (12,960,942)	$ (12,960,942)	$ (12,960,942)	$ -
Total Revenues	(12,960,942)	(12,960,942)	(12,960,942)	-
EXPENDITURES				
Current:				
General Government	(12,960,942)	(12,960,942)	(12,960,942)	-
Total Expenditures	(12,960,942)	(12,960,942)	(12,960,942)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers In	(98,049,521)	(98,049,521)	(98,049,521)	-
Transfers (Out)	98,049,521	98,049,521	98,049,521	-
Total Other Financing Sources and (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ -	$ -

MARION COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2025

	Total			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 110,795,786	$ 110,795,786	$ 111,905,474	$ 1,109,688
Permits and Fees	1,425	1,425	2,475	1,050
Intergovernmental Revenues	59,287,746	61,588,781	57,797,359	(3,791,422)
Charges for Services	48,142,610	53,095,649	57,392,214	4,296,565
Judgments and Fines	2,361,550	2,411,344	2,461,009	49,665
Court-Related Revenues	6,594,174	8,171,574	8,546,789	375,215
Investment Income	5,963,406	6,063,406	6,911,553	848,147
Miscellaneous Revenues	10,819,906	16,669,031	6,988,984	(9,680,047)
Total Revenues	243,966,603	258,796,996	252,005,857	(6,791,139)
EXPENDITURES				
Current:				
General Government	118,074,491	118,155,359	63,405,123	54,750,236
Public Safety	248,683,610	254,440,461	241,685,537	12,754,924
Physical Environment	1,756,419	1,743,039	1,434,187	308,852
Transportation	1,834,759	1,834,759	1,597,448	237,311
Economic Environment	2,486,054	2,501,054	1,328,169	1,172,885
Human Services	28,157,457	35,014,943	19,564,232	15,450,711
Culture/Recreation	36,044,676	37,606,987	25,762,320	11,844,667
Court-Related	21,255,850	23,571,982	17,169,730	6,402,252
Debt Service:				
Principal Retirement	539,695	619,358	2,593,137	(1,973,779)
Interest and Fiscal Charges	47,202	21,702	467,761	(446,059)
Total Expenditures	458,880,213	475,509,644	375,007,644	100,502,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(214,913,610)	(216,712,648)	(123,001,787)	93,710,861
OTHER FINANCING SOURCES (USES)				
Transfers In	118,193,470	121,000,757	117,253,196	(3,747,561)
Transfers (Out)	(2,308,394)	(3,663,417)	(1,467,408)	2,196,009
Issuance of Notes/Bonds Payable	-	-	1,472,860	1,472,860
Issuance of Leases and SBITAs	-	-	1,725,318	1,725,318
Total Other Financing Sources and (Uses)	115,885,076	117,337,340	118,983,966	1,646,626
Net Change in Fund Balances	(99,028,534)	(99,375,308)	(4,017,821)	95,357,487
Fund Balance - Beginning	99,028,534	99,375,308	115,175,953	15,800,645
Fund Balance - Ending	$ -	$ -	$ 111,158,132	$ 111,158,132

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The County has the following Special Revenue Funds:

Fine and Forfeiture Funds

Fines and Forfeiture Fund
Established pursuant to the provisions of Section 142.01, Florida Statutes, to account for expenditures related to the costs of criminal prosecutions and for the proceeds of certain court fines and costs.

Fines and Forfeiture Crime Prevention Fund
Established pursuant to the provisions of Section 775.083, to account for funds related to the costs of crime prevention and for the proceeds of certain court fines and costs.

80% Gas Tax Construction Fund
Used to account for the County proceeds of the 80% portion of the Constitutional Gas Tax (2 cents per gallon), which is collected and distributed by the State of Florida. Expenditures from this fund may be used for the acquisition, construction and maintenance of roads as authorized by Section 334.03, Florida Statutes.

20% Gas Tax Construction Fund
Used to account for the County's proceeds of the 20% portion of the Constitutional Gas Tax (2 cents per gallon), which is collected and distributed by the State of Florida. Purposes for which these funds may be expended have been restricted pursuant to an opinion of the Florida Attorney General and, therefore, are limited to the purchase of materials used in the construction and maintenance of roads and bridges.

Sidewalk Construction Fund
Created pursuant to the provisions of Section 6.12.12 of the Land Development Code adopted by Ordinance 13-20, to account for sidewalk fees paid by developers to the County in lieu of construction along external streets. The County may use these funds toward construction of sidewalks throughout the County based on priorities established by the Board.

Marion County Airport Fund
Used to account for the revenues and expenditures related to the operation of this Southwest Marion County facility. Revenues are generated primarily through fuel sales and the rental of County-owned real property in addition to grants received from the State of Florida Department of Transportation. Expenditures predominantly result from the maintenance and or improvement to the airport runways and related improvements.

Silver Springs CRA Trust Fund
Created pursuant to the provisions of Chapter 163.387, Florida Statutes, and Ordinance 13-15 to account for the funds used to finance community redevelopment within the Silver Springs Community Redevelopment Area, in accordance with the Silver Springs Community Redevelopment Plan. The primary source of funding is from tax increment financing provided by increased ad valorem tax value in the geographically designated area

Alcohol and Other Drug Abuse Trust Fund
Created pursuant to the provisions of Section 893.165, Florida Statutes, and Ordinance 13-12 to account for the mandatory costs, discretionary costs, and assessments remitted to Marion County pursuant to Sections 938.13, 938.21 and 938.23, Florida Statutes. These monies shall be used only for the support of alcohol and other drug abuse treatment and educational programs based in Marion County, Florida, which meet the standards of qualifications for such programs of the Florida Department of Children and Family Services.

SPECIAL REVENUE FUNDS - Continued

2nd Local Option Fuel Tax Fund
Established pursuant to the provisions of Section 336.025, Florida Statutes, to account for the proceeds from the 2nd Local Option Fuel Tax (5 cents per gallon). The use of proceeds provides for distribution between Marion County and municipalities located within Marion County, to fund necessary transportation improvements in Marion County in accordance with the adopted local government comprehensive plan.

Local Provider Participation Fund
Established pursuant to Marion County Ordinance Number 21-18 to account for the non-ad valorem assessment imposed against for-profit and not-for-profit hospitals to fund the non-federal share of Medicaid payments associated with local services.

Marion County Health Department Fund
Established pursuant to the provisions of Sections 154.02 and 154.06, Florida Statutes, to account for the proceeds of a special ad valorem tax levy established by the Board and transmitted in equal monthly installments to the Marion County Health Unit, where they are used to subsidize operations.

Criminal Justice Court Costs Fund
Created pursuant to the provisions of Section 939.185, Florida Statutes, to account for the Revenue of additional court costs and surcharges. The Board of County Commissioners may adopt by Ordinance an additional court cost, not to exceed $65. Authorized uses of the amount collected include payments to be allocated to fund court innovations, legal aid, law library and juvenile programs.

Opioid Settlement Fund
Created to account for the revenues from the state opioid litigation settlements. The settlement funds were collected in the state Opioid Settlement Trust Fund and will be allocated to affected cities and counties in the state over seveteen years. These restricted funds are to be used to prevent and treat substance abuse in the County.

Law Enforcement Trust Fund
Created pursuant to the provisions of Section 932.704, Florida Statutes, to account for the net proceeds from the sale or conversion of forfeited properties. Expenditures payable from this fund are legally restricted to nonrecurring obligations of the Sheriff's office, including equipment purchases. Although legally entitled as a trust fund, this fund is more properly accounted for as a special revenue fund due to the nature of the transactions recorded therein.

Sheriff Educational Fund
Created to account for the revenues generated by the imposition by the Board of an additional $2 per case for court cost, assessed against every person convicted for violation of a state penal or criminal statute, municipal or county ordinance. Pursuant to Section 938.15, Florida Statues, monies received are required to be expended for criminal justice education and training of law enforcement officers, corrections officers and support personnel.

Federal Equitable Sharing Fund
Created pursuant to requirements of the Equitable Sharing Program and the restrictions upon the use of federally forfeited funds, property, and any interest earned thereon. An equitable portion, or share, of proceeds awarded is based on a law enforcement agency's direct participation in an investigation that results in the forfeiture of a federally seized asset. Per program requirements, these revenues and qualifying expenditures must be tracked separately from all other funds.

SPECIAL REVENUE FUNDS - Continued

911 Management Fund
Created in accordance with the provisions of the Florida Emergency Telephone Act (Sections 365.171 and 365.172, Florida Statutes) to account for the Enhanced 911 (E911) fees imposed and collected from local telephone exchange customers and subscribers of wireless telephone services. 911 service directs 911 calls to the appropriate public safety answering point and provides for automatic number and location identification. The E911 Board may adjust the allocation percentages or adjust the amount of the fee, or both, if necessary, to ensure full cost recovery or prevent over recovery of costs incurred in the provision of E911. Expenditures are restricted to the establishment and maintenance of an enhanced emergency telephone number 911 system or enhanced 911 service.

Building Department Fund
Created pursuant to the provisions of Section 533.79, Florida Statutes, and Ordinance 01-34 to account for revenues generated by building permit fees levied by the Board by resolution. Fees generated are used to fund costs of the building permitting activities and inspections.

Tourist Development Tax
Created pursuant to the provisions of Chapter 125.0104, Florida Statutes, and Ordinance 78-13 to account for the two percent Tourist Development Tax. The tax is collected by the Marion County Tax Collector and transmitted monthly to Marion County. The tax is used to fund the Marion County Tourist Development Plan.

Parks and Recreation Fees Fund
Created in accordance with the provisions of the Marion County Code of Ordinances (Chapter 14) and Ordinance 94-20, to account for user fees generated by the parks and recreation department. The Board shall by resolution, adopt fees for use of any or all parks and any improvements or facilities therein. These funds are used for parks and recreation capital.

Local Housing Assistance Trust Fund
The Local Housing Assistance Trust Fund was created pursuant to the provisions of Section 420.9075, Florida Statutes, and Ordinance 93-13 to account for the local housing distribution monies received from the State of Florida in connection with the State Housing Initiative Partnership (SHIP) program. Authorized expenditures from the Local Housing Assistance Trust Fund are limited to the administration and implementation of the local housing assistance program.

Medical Examiner
Established by an interlocal agreement between Marion, Citrus, Hernando, Sumter and Lake Counties pursuant to the provisions of Chapter 406, Florida Statutes, for the joint operation of the District Medical Examiner's Office. In accordance with the agreement, Marion County serves as the Administrative Coordinator and is responsible for managing all funds associated with this agreement.

Impact Fee Trust Fund – East District
Established to account for the amount of transportation impact fees levied by the Board and collected pursuant to Marion County Ordinance Number 15-14, amended by Ordinance 25-18. Amounts are collected for three separate districts and are deposited and accounted for separately by District. The revenues generated are to be used for growth-necessitated capital improvements to the County's major road network system, not for maintenance or repairs, nor on local roads or interstate highways, within the district.

Impact Fee Trust Fund – West District
Established to account for the amount of transportation impact fees levied by the Board and collected pursuant to Marion County Ordinance Number 15-14, amended by Ordinance 25-18. Amounts are collected for three separate districts and are deposited and accounted for separately by District. The revenues generated are to be used for growth-necessitated capital improvements to the County's major road network system, not for maintenance or repairs, nor on local roads or interstate highways, within the district.

SPECIAL REVENUE FUNDS - Continued

Impact Fee Trust Fund – Ocala District
Established to account for the amount of transportation impact fees levied by the Board and collected pursuant to Marion County Ordinance Number 25-18. Amounts are collected for three separate districts and are deposited and accounted for separately by District. The revenues generated are to be used for growth-necessitated capital improvements to the County's major road network system, not for maintenance or repairs, nor on local roads or interstate highways, within the district.

Rainbow Lakes Estates MSD Fund
Created pursuant to the provisions of Section 125.01, Florida Statutes, and the provisions of the Marion County Code of Ordinances (Article XI, Chapter 12) to account for the MSTU for Road Improvements, and to account for the provision of municipal type services to a limited geographic area encompassing portions of both Marion and Levy Counties. Funding is provided primarily through the levy and collection of ad valorem taxes by the Board as governing body of this multi-County taxing district.

Rainbow Lakes Estates Fire Protection MSBU
Created in accordance with the provisions of the Marion County Code of Ordinances (Article XII, Chapter 12) to account for the proceeds of special assessments levied by the Board on property located in the Rainbow Lakes Estates area and collected by the Tax Collector are accounted for in this fund. The purpose is to provide fire protection within the Rainbow Lakes Estates area.

Marion Oaks MSTU Fund
The Marion Oaks MSTU fund was created pursuant to the provisions of Section 125.01, Florida Statutes, to account for the costs of providing law enforcement as well as the construction, maintenance, and operation of community resource facilities within the Marion Oaks development. Revenues are generated through a levy by the Board of special assessments upon properties located exclusively within the Marion Oaks area.

MSTU/MSBU for Road Improvements

Rainbow Lakes Estates MSTU for Road Improvements Fund
The proceeds of special assessments levied by the Board on property located in the Rainbow Lakes Estates area and collected by the Tax Collector are accounted for in this fund. The purpose is to provide road improvements within the Rainbow Lakes Estates area.

Silver Springs Shores MSTU for Road Improvements Fund
The costs of providing stabilization and maintenance of roads within this subdivision are accounted for in this fund. The primary source of funding for these services is ad valorem taxes.

Lake Tropicana MSTU for Road Improvements Fund
The costs of providing stabilization and maintenance of roads within this subdivision are accounted for in this fund. The primary source of funding for these services is ad valorem taxes.

Golden Hills MSTU for Road Improvements Fund
Costs of road improvements made within the Golden Hills subdivision, and funded by a special per-parcel assessment levied by the Board and collected by the Tax Collector and accounted for in this fund.

Kingsland Estates/Ocala Waterway MSBU for Road Maintenance
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road maintenance in the covered area.

SPECIAL REVENUE FUNDS – Continued

MSTU/MSBU for Road Improvements - continued

Kingsland Whispering Pines/Forrest Glenn MSBU for Road Maintenance
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road maintenance in the covered area.

Silver Spring Acres MSBU for Road Maintenance
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road maintenance in the covered area.

Ocala Waterway Estates MSBU for Road Maintenance
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road maintenance in the covered area.

NW 17th Avenue/Northwood MSBU for Road Maintenance
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road maintenance in the covered area.

Rainbow Park Units 1 & 2 MSBU for Road Maintenance
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road maintenance in the covered area.

Pine Run Estates MSTU for Road Improvements Fund
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road improvements in the covered area.

Woods and Lakes Subdivision MSBU for Road Maintenance
The proceeds of special assessments levied by the Board exclusively upon properties located within Woods and Lakes Subdivision and collected by the Tax Collector are accounted for in this fund. The purpose for which the funds so derived may legally be expended is generally limited to the provision of road improvements and maintenance.

Marion Oaks MSTU for Road Improvements Fund
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road improvements in the covered area.

Paradise Farms MSBU for Roadside Mowing Fund
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for roadside mowing in the covered area.

Stonecrest Center MSBU for Road Maintenance
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road maintenance in the covered area.

SPECIAL REVENUE FUNDS – Continued

MSTU/MSBU for Road Improvements - continued

Deer Path Estates Phase 1 & Phase 2 MSBU for Road Maintenance
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road maintenance in the covered area.

Maricamp Market Centre Replat Phase 1 & Phase 2 MSBU for Road Maintenance
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for road maintenance in the covered area.

Silver Springs Shores MSTU Fund
Created by the Board pursuant to Section 125.01, Florida Statutes, and used to account for street lighting, cultural and recreational services provided to this commercial and residential community. The primary source of revenue for this municipal service taxing unit is ad valorem taxes levied solely within the geographic boundaries of the taxing unit.

MSTU/MSBU for Recreation Fund

Rainbow Lakes Estates Community Recreational Facility MSBU
The proceeds of special assessments levied by the Board on property located in the Rainbow Lakes Estates area and collected by the Tax Collector are accounted for in this fund. Per-parcel assessments levied within the community are the primary source of funding for these services.

Hills of Ocala MSTU for Recreation Fund
Used to account for the costs of recreation and related services provided to this community located in Southwest Marion County. Per-parcel assessments levied within the community are the primary source of funding for these services.

MSBU for DRA Maintenance
Created by the Board pursuant to Section 125.01, Florida Statutes, and used to account for mowing, pipe and structure maintenance, other routine drainage facility maintenance, and extra-ordinary maintenance within the established boundaries of the NW 49th/35th Street DRA. Per-parcel assessments are collected by the Tax Collector and are the primary source of funding for these services.

MSTU/MSBU for Street Lighting

Indian Meadows MSTU for Street Lighting
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for street lighting.

Ocala Heights MSTU for Street Lighting
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for street lighting.

Bahia Oaks MSTU for Street Lighting
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for street lighting.

SPECIAL REVENUE FUNDS – Continued

MSTU/MSBU for Street Lighting - continued

Boardman MSTU for Street Lighting
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for street lighting.

Doublegate MSTU for General Services
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for municipal services in the covered area.

Hickory Hills MSTU for Street Lighting Services
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for street lighting.

Raven Hill MSTU for General Services
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for municipal services in the covered area.

Churchill Subdivision MSTU for Street Lighting
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for street lighting in the covered area.

Little Lake Weir-Edgewater Estates for Street Lighting
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for street lighting in the covered area.

Rainbow's End MSTU for General Municipal Services Fund
Created to account for a wide variety of authorized expenditures including, but not limited to, road improvements and street lighting. Revenues to fund said expenditures are generated through the levy of a special per-parcel assessment by the Board which is collected by the Tax Collector as a part of the tax roll.

Marion Oaks MSTU for General Services Fund
The proceeds of special assessments levied by the Board exclusively on the properties within the boundaries established and collected by the Tax Collector are accounted for by this fund. The assessments collected will provide for road repairs, mowing and street lighting.

Citrus Park MSTU Fund
Created to account for the proceeds of a special per-parcel assessment levied by the Board on the Citrus Park Subdivision. The assessment will be used to provide municipal services in the covered area and will be collected by the Tax Collector via the tax roll.

Boulder Hill MSTU for Street Lighting
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for street lighting in the covered area.

SPECIAL REVENUE FUNDS – Continued

MSTU/MSBU for Street Lighting - continued

Kingsland MSBU for Street Lighting
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for street lighting in the covered area.

Fire Rescue Impact Fees Fund
Established to account for the impact fees levied by the Board and collected pursuant to Marion County Ordinance Number 08-19, amended by Ordinance 25-17, restricted in use to provide growth-necessitated infrastructure improvements to the County's Fire Protection System, not for maintenance or operations.

EMS Impact Fee Trust Fund
Established to account for the impact fees levied by the Board and collected pursuant to Marion County Ordinance Number 25-17, restricted in use to provide growth-necessitated infrastructure improvements to the County's EMS System, not for maintenance or operations.

Stormwater Program
Established pursuant to Ordinance No. 02-13 to account for the special per-parcel assessment levied by the Board within the designated service area. Assessments are collected by the Tax Collector, and will provide for the establishment and operation of the Stormwater Program throughout the service area.

MSTU/MSBU for General Services

Tompkins and Georges Addition to Dunnellon MSTU Fund
Used to account for the special per-parcel assessment levied by the Board on property located in the Tompkins and Georges addition to Dunnellon Subdivision and collected by the Tax Collector as part of the tax roll. Funds derived are to be used for the provision of general municipal services.

Country Estates Buffington Addition MSTU Fund
The costs of general municipal services provided in the Country Estates Buffington Addition Subdivision are funded by a special per-parcel assessment levied by the Board and collected by the Tax Collector are accounted for in this fund.

Wineberry MSTU for General Services Fund
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for municipal services in the covered area.

Golden Hills MSTU for General Services Fund
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for municipal services in the covered area.

Delcrest MSTU for General Services Fund
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for municipal services in the covered area.

SPECIAL REVENUE FUNDS – Continued

MSTU/MSBU for General Services - continued

Bellaire MSTU for General Services Fund
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for municipal services in the covered area.

The Hamlet at Sherman Oaks MSBU for General Services Fund
Established to account for the special per-parcel assessment levied by the Board exclusively on the properties within the boundaries established. Assessments are collected by the Tax Collector and will provide for municipal services in the covered area.

Sheriff Inmate Welfare Fund
This fund reflects the activities of the Sheriff Inmate Welfare Fund established in Section 951.23, Florida Statutes. Expenditures are in accordance with provisions of the Florida Statutes for overall inmate welfare.

Clerk of the Circuit Court Trust Fund
This fund reflects the activities of the Office of the Clerk of Circuit Court Trust Funds. Services provided are in accordance with provisions of the Florida Statutes for Records Modernization.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt Service funds are also used to report resources if legally mandated and financial resources that are being accumulated for principal and interest maturing in the future. The County has the following Debt Service Funds:

Public Improvement Transportation Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Public Improvement Revenue Bonds. Revenue used to fund the debt service payments is generated through the Second local option fuel tax and secured by Sales Tax.

Special Assessment Bonds, Series 2014A Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2014A. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

Special Assessment Bonds, Series 2015A Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2015A. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

Special Assessment Bonds, Series 2016A Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2016A. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

DEBT SERVICE FUNDS – Continued

Special Assessment Bonds, Series 2017A Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2017A. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

Special Assessment Bonds, Series 2019A Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2019A. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

Special Assessment Bonds, Series 2021A Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2021A. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

Special Assessment Bonds, Series 2022A Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2022A. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

Special Assessment Bonds, Series 2024A Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2024A. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

Special Assessment Bonds, Series 2024B Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2024B. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

Special Assessment Bonds, Series 2025A Debt Service Fund
Created to account for payment of the periodic principal and interest payments due on the Special Assessment Bonds, Series 2025A. Revenue used to fund the debt service payments is generated through the levy of special assessments against the benefited properties.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital outlay. Capital Project funds exclude capital-related outflows financed by proprietary fund or for assets held in trust for individuals, private organizations, or other governments. The County has the following Capital Projects Funds:

Parks Capital Projects Fund
This fund accounts for bond proceeds and grant revenues to be used for future acquisitions of parks and environmentally sensitive lands.

Public Improvement Transportation Capital Projects Fund
This fund is used to account for payment of the Public Improvement Revenue Bonds, Series 2009A and Series 2010, issued to provide funds for the construction of road improvements within the County.

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS – Continued

Special Assessment Bonds, Series 2024A Capital Projects Fund
Created to account for payment of the Special Assessment Bonds, Series 2024A issued to provide funds for the construction of road improvements within the benefited boundaries.

Special Assessment Bonds, Series 2024B Capital Projects Fund
Created to account for payment of the Special Assessment Bonds, Series 2024B issued to provide funds for the construction of road improvements within the benefited boundaries.

Special Assessment Bonds, Series 2025A Capital Projects Fund
Created to account for payment of the Special Assessment Bonds, Series 2025A issued to provide funds for the construction of road improvements within the benefited boundaries.

Special Assessment Bonds, Series 2026A Capital Projects Fund
Created to account for payment of the Special Assessment Bonds, Series 2026A issued to provide funds for the construction of road improvements within the benefited boundaries.

MARION COUNTY, FLORIDA
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 157,083,501	$ 4,238,233	$ 1,423,788	$ 162,745,522
Investments	31,815,728	-	-	31,815,728
Accounts Receivable	985,733	-	-	985,733
Accrued Interest Receivable	88,941	-	-	88,941
Special Assessments Receivable	-	6,419,309	-	6,419,309
Leases Receivable - Current	15,848	-	-	15,848
Leases Interest Receivable	1,978	-	-	1,978
Due from Other Funds	1,223,296	5,198	26,591	1,255,085
Due from Other Governments	1,620,562	605,190	-	2,225,752
Inventories	1,089,528	-	-	1,089,528
Prepaid Items	371,284	-	-	371,284
Leases Receivable	592,929	-	-	592,929
Total Assets	$ 194,889,328	$ 11,267,930	$ 1,450,379	$ 207,607,637
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 5,824,226	$ -	$ -	$ 5,824,226
Contracts Payable	298,756	-	12,209	310,965
Accrued Liabilities	279,020	-	-	279,020
Due to Other Funds	22,768	-	-	22,768
Due to Other Governments	1,433,461	-	-	1,433,461
Due to Individuals	2,000	-	-	2,000
Deposits	815,186	-	-	815,186
Unearned Revenues	444,396	-	-	444,396
Total Liabilities	9,119,813	-	12,209	9,132,022
Deferred Inflows of Resources:				
Deferred Assessments	-	6,419,309	-	6,419,309
Deferred Inflows - Leases	562,671	-	-	562,671
Unavailable Grant Revenues	979,624	-	-	979,624
Total Deferred Inflows of Resources	1,542,295	6,419,309	-	7,961,604
Fund Balances:				
Nonspendable:				
Inventories	1,089,528	-	-	1,089,528
Prepaids	371,284	-	-	371,284
Restricted for:				
Community Redevelopment	887,534	-	-	887,534
Court Innovations	806,926	-	-	806,926
Records Modernization Tech	3,984,754	-	-	3,984,754
Debt Service Reserve	-	4,848,621	-	4,848,621
Fire and Rescue	6,144,842	-	-	6,144,842
Inmate Benefits	2,780,161	-	-	2,780,161
Law Enforcement	11,737,441	-	-	11,737,441
Parks and Recreation	2,684,881	-	14,223	2,699,104
Public Safety	19,013,975	-	-	19,013,975
Resource Conservation	14,735,066	-	-	14,735,066
Road Construction	87,714,390	-	1,347,683	89,062,073
Social Services	12,872,174	-	-	12,872,174
Tourism	7,602,523	-	-	7,602,523
Transportation Maintenance	8,632,681	-	-	8,632,681
Committed to:				
Airport	437,004	-	-	437,004
Parks and Recreation	2,732,056	-	-	2,732,056
Assigned to:				
Parks and Recreation	-	-	6,233	6,233
Road Construction	-	-	70,031	70,031
Total Fund Balances	184,227,220	4,848,621	1,438,170	190,514,011
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 194,889,328	$ 11,267,930	$ 1,450,379	$ 207,607,637

MARION COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2025

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	$ 47,605,399	$ 4,735,767	$ -	$ 52,341,166
Special Assessments	26,721,047	966,896	230,378	27,918,321
Impact Fees	17,960,646	-	-	17,960,646
Permits and Fees	10,941,688	-	-	10,941,688
Intergovernmental Revenues	11,162,985	-	-	11,162,985
Charges for Services	6,718,880	-	-	6,718,880
Judgments and Fines	586,457	-	-	586,457
Court-Related Revenues	837,546	-	-	837,546
Investment Income	8,610,611	20,907	76,264	8,707,782
Miscellaneous Revenues	3,584,895	-	-	3,584,895
Total Revenues	134,730,154	5,723,570	306,642	140,760,366
EXPENDITURES				
Current:				
General Government	2,072,177	-	-	2,072,177
Public Safety	22,028,867	-	-	22,028,867
Physical Environment	4,457,663	-	-	4,457,663
Transportation	21,635,283	-	-	21,635,283
Economic Environment	12,733,121	-	-	12,733,121
Human Services	24,707,708	-	-	24,707,708
Culture/Recreation	4,969,806	-	-	4,969,806
Court-Related	1,917,410	-	-	1,917,410
Debt Service:				
Principal Retirement	200,685	4,306,772	-	4,507,457
Interest and Fiscal Charges	12,218	605,719	8,500	626,437
Capital Outlay	-	-	3,824,774	3,824,774
Total Expenditures	94,734,938	4,912,491	3,833,274	103,480,703
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,995,216	811,079	(3,526,632)	37,279,663
OTHER FINANCING SOURCES (USES)				
Transfers In	1,526,940	-	-	1,526,940
Transfers (Out)	(25,759,724)	-	-	(25,759,724)
Issuance of Notes/Bonds Payable	-	-	2,229,512	2,229,512
Issuance of Leases and SBITAs	5,679	-	-	5,679
Total Other Financing Sources (Uses)	(24,227,105)	-	2,229,512	(21,997,593)
Net Change in Fund Balances	15,768,111	811,079	(1,297,120)	15,282,070
Fund Balances - Beginning	168,459,109	4,037,542	2,735,290	175,231,941
Fund Balances - Ending	$ 184,227,220	$ 4,848,621	$ 1,438,170	$ 190,514,011

MARION COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2025

	Fines and Forfeitures	80% Gas Tax Construction	20% Gas Tax Construction	Sidewalk Construction	Marion County Airport	Silver Springs CRA Trust Fund	Alcohol and Drug Abuse Trust Fund	2nd Local Option Fuel Tax	Local Provider Participation	Marion County Health Department	Criminal Justice Court Costs	Opioid Settlement Fund
ASSETS												
Cash and Cash Equivalents	$ 8,525,871	$ 10,902,710	$ 3,843,191	$ 964,265	$ 417,795	$ 898,944	$ 76,063	$ 10,567,133	$ 817,259	$ 1,727,610	$ 793,416	$ 4,080,201
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable	2,609	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Leases Receivable - Current	-	-	-	-	5,794	-	-	-	-	-	-	-
Leases Interest Receivable	-	-	-	-	1,132	-	-	-	-	-	-	-
Due from Other Funds	1,179,035	-	-	-	-	-	2,535	-	-	-	33,343	-
Due from Other Governments	7,397	349,799	87,450	-	89,950	-	-	-	-	1,005	-	-
Inventories	-	-	1,043,099	-	46,429	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	5,143	-	-	-	-	-	-
Leases Receivable	-	-	-	-	292,244	-	-	-	-	-	-	-
Total Assets	$ 9,714,912	$ 11,252,509	$ 4,973,740	$ 964,265	$ 853,344	$ 904,087	$ 78,598	$ 10,567,133	$ 817,259	$ 1,728,615	$ 826,759	$ 4,080,201
LIABILITIES												
Accounts Payable	$ 4,406	$ 39,057	$ 26,773	$ 19,187	$ 45,502	$ -	$ -	$ 45,383	$ -	$ 131,676	$ 17,748	$ -
Contracts Payable	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Liabilities	-	-	-	-	4,515	-	-	-	-	-	2,085	-
Due to Other Funds	-	-	-	-	-	11,410	-	-	-	-	-	-
Due to Other Governments	364,248	-	-	-	3,174	-	-	-	-	262,500	-	-
Due to Individuals	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	35,262	-	-	-	-	-	-	-
Unearned Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	368,654	39,057	26,773	19,187	88,453	11,410	-	45,383	-	394,176	19,833	-
DEFERRED INFLOWS OF RESOURCES												
Deferred Inflows - Leases	-	-	-	-	281,458	-	-	-	-	-	-	-
Unavailable Grant Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	281,458	-	-	-	-	-	-	-
FUND BALANCES												
Nonspendable:												
Inventories	-	-	1,043,099	-	46,429	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	5,143	-	-	-	-	-	-
Restricted for:												
Community Redevelopment	-	-	-	-	-	887,534	-	-	-	-	-	-
Court Innovations	-	-	-	-	-	-	-	-	-	-	806,926	-
Records Modernization Tech	-	-	-	-	-	-	-	-	-	-	-	-
Fire and Rescue	-	-	-	-	-	-	-	-	-	-	-	-
Inmate Benefits	-	-	-	-	-	-	-	-	-	-	-	-
Law Enforcement	9,346,258	-	-	-	-	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-
Resource Conservation	-	-	-	-	-	-	-	-	-	-	-	-
Road Construction	-	11,213,452	-	-	-	-	-	10,521,750	-	-	-	-
Social Services	-	-	-	-	-	-	78,598	-	817,259	1,334,439	-	4,080,201
Tourism	-	-	-	-	-	-	-	-	-	-	-	-
Transportation Maintenance	-	-	3,903,868	945,078	-	-	-	-	-	-	-	-
Committed to:												
Airport	-	-	-	-	437,004	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	9,346,258	11,213,452	4,946,967	945,078	483,433	892,677	78,598	10,521,750	817,259	1,334,439	806,926	4,080,201
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 9,714,912	$ 11,252,509	$ 4,973,740	$ 964,265	$ 853,344	$ 904,087	$ 78,598	$ 10,567,133	$ 817,259	$ 1,728,615	$ 826,759	$ 4,080,201

(Continued)

MARION COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2025

	Law Enforcement Trust Fund	Sheriff's Educational	Federal Equitable Sharing	911 Management Fund	Building Department Fund	Tourist Development Fund	Parks and Recreation Fees Fund	Local Housing Assistance Trust	Medical Examiner	Impact Fee Trust Fund - East District	Impact Fee Trust Fund - West District	Impact Fee Trust Fund - Ocala District
ASSETS												
Cash and Cash Equivalents	$ 869,584	$ 1,189,816	$ 324,112	$ 5,991,263	$ 17,597,638	$ 8,415,319	$ 5,088,465	$ 6,799,945	$ 2,414,313	$ 8,117,799	$ 26,712,169	$ 109,404
Investments	-	-	-	-	-	-	-	-	-	5,126,803	15,380,410	-
Accounts Receivable	-	-	-	-	-	-	-	979,624	-	-	-	-
Accrued Interest Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Leases Receivable - Current	-	-	-	-	-	-	10,054	-	-	-	-	-
Leases Interest Receivable	-	-	-	-	-	-	846	-	-	-	-	-
Due from Other Funds	-	7,671	-	-	-	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	165,521	-	349,777	-	-	-	-	-	90,684
Inventories	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	3,119	75	14,342	-	-	-	-	-	-
Leases Receivable	-	-	-	-	-	-	300,685	-	-	-	-	-
Total Assets	$ 869,584	$ 1,197,487	$ 324,112	$ 6,159,903	$ 17,597,713	$ 8,779,438	$ 5,400,050	$ 7,779,569	$ 2,414,313	$ 13,244,602	$ 42,092,579	$ 200,088
LIABILITIES												
Accounts Payable	$ -	$ -	$ -	$ 2,257	$ 61,683	$ 513,212	$ 1,784,585	$ 224,003	$ 1,992	$ 83,944	$ 1,848,751	$ -
Contracts Payable	-	-	-	-	-	-	117,636	-	-	-	141,831	-
Accrued Liabilities	-	-	-	16,101	123,230	20,426	13,767	5,681	-	-	-	-
Due to Other Funds	-	-	-	-	30	-	-	105	-	-	-	-
Due to Other Governments	-	-	-	-	69,957	628,935	12,422	-	376	1,397	-	-
Due to Individuals	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	740,708	-	13,975	8,479	-	-	-	-
Unearned Revenues	-	-	-	-	-	-	444,396	-	-	-	-	-
Total Liabilities	-	-	-	18,358	995,608	1,162,573	2,386,781	238,268	2,368	85,341	1,990,582	-
DEFERRED INFLOWS OF RESOURCES												
Deferred Inflows - Leases	-	-	-	-	-	-	281,213	-	-	-	-	-
Unavailable Grant Revenues	-	-	-	-	-	-	-	979,624	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	281,213	979,624	-	-	-	-
FUND BALANCES												
Nonspendable:												
Inventories	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	3,119	75	14,342	-	-	-	-	-	-
Restricted for:												
Community Redevelopment	-	-	-	-	-	-	-	-	-	-	-	-
Court Innovations	-	-	-	-	-	-	-	-	-	-	-	-
Records Modernization Tech	-	-	-	-	-	-	-	-	-	-	-	-
Fire and Rescue	-	-	-	6,138,426	-	-	-	-	-	-	-	-
Inmate Benefits	-	-	-	-	-	-	-	-	-	-	-	-
Law Enforcement	869,584	1,197,487	324,112	-	-	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	16,602,030	-	-	-	2,411,945	-	-	-
Resource Conservation	-	-	-	-	-	-	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-	-	-	-	13,159,261	40,101,997	200,088
Social Services	-	-	-	-	-	-	-	6,561,677	-	-	-	-
Tourism	-	-	-	-	-	7,602,523	-	-	-	-	-	-
Transportation Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Committed to:												
Airport	-	-	-	-	-	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-	2,732,056	-	-	-	-	-
Total Fund Balances	869,584	1,197,487	324,112	6,141,545	16,602,105	7,616,865	2,732,056	6,561,677	2,411,945	13,159,261	40,101,997	200,088
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 869,584	$ 1,197,487	$ 324,112	$ 6,159,903	$ 17,597,713	$ 8,779,438	$ 5,400,050	$ 7,779,569	$ 2,414,313	$ 13,244,602	$ 42,092,579	$ 200,088

(Continued)

MARION COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2025

	Rainbow Lakes Estates MSD	Rainbow Lakes Estates Fire Protection MSBU	Marion Oaks MSTU	MSTU/MSBU for Road Improvements	Silver Springs Shores MSTU
ASSETS					
Cash and Cash Equivalents	$ 1,203,520	$ -	$ 1,357,265	$ 12,941,737	$ 900,899
Investments	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Accrued Interest Receivable	-	-	-	-	-
Leases Receivable - Current	-	-	-	-	-
Leases Interest Receivable	-	-	-	-	-
Due from Other Funds	57	-	331	-	273
Due from Other Governments	1,288	-	201	28,644	62
Inventories	-	-	-	-	-
Prepaid Items	319	-	-	60	145
Leases Receivable	-	-	-	-	-
Total Assets	$ 1,205,184	$ -	$ 1,357,797	$ 12,970,441	$ 901,379
LIABILITIES					
Accounts Payable	$ 8,169	$ -	$ 5,802	$ 423,926	$ 10,676
Contracts Payable	-	-	-	23,593	-
Accrued Liabilities	4,132	-	15,436	5,020	12,359
Due to Other Funds	-	-	-	-	-
Due to Other Governments	418	-	457	-	254
Due to Individuals	-	-	-	-	-
Deposits	-	-	9,875	-	1,630
Unearned Revenues	-	-	-	-	-
Total Liabilities	12,719	-	31,570	452,539	24,919
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows - Leases	-	-	-	-	-
Unavailable Grant Revenues	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Inventories	-	-	-	-	-
Prepaid Items	319	-	-	60	145
Restricted for:					
Community Redevelopment	-	-	-	-	-
Court Innovations	-	-	-	-	-
Records Modernization Tech	-	-	-	-	-
Fire and Rescue	-	-	-	-	-
Inmate Benefits	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Parks and Recreation	-	-	1,326,227	-	876,315
Public Safety	-	-	-	-	-
Resource Conservation	-	-	-	-	-
Road Construction	-	-	-	12,517,842	-
Social Services	-	-	-	-	-
Tourism	-	-	-	-	-
Transportation Maintenance	1,192,146	-	-	-	-
Committed to:					
Airport	-	-	-	-	-
Parks & Recreation	-	-	-	-	-
Total Fund Balances	1,192,465	-	1,326,227	12,517,902	876,460
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,205,184	$ -	$ 1,357,797	$ 12,970,441	$ 901,379

	MSTU/MSBU for Recreation	MSBU for DRA Maintenance	MSTU/MSBU for Street Lighting	Fire Rescue Impact Fees	EMS Impact Fee Trust Fund	Stormwater Program	MSTU/MSBU for General Services
ASSETS							
Cash and Cash Equivalents	$ 494,546	$ 54,556	$ 2,394,704	$ 6,466	$ 476	$ 3,507,326	$ 179,980
Investments	-	-	-	-	-	11,308,515	-
Accounts Receivable	-	-	-	-	-	-	-
Accrued Interest Receivable	-	-	-	-	-	88,941	-
Leases Receivable - Current	-	-	-	-	-	-	-
Leases Interest Receivable	-	-	-	-	-	-	-
Due from Other Funds	51	-	-	-	-	-	-
Due from Other Governments	331	-	2,176	-	-	409,989	207
Inventories	-	-	-	-	-	-	-
Prepaid Items	208	-	-	-	-	-	-
Leases Receivable	-	-	-	-	-	-	-
Total Assets	$ 495,136	$ 54,556	$ 2,396,880	$ 6,466	$ 476	$ 15,314,771	$ 180,187
LIABILITIES							
Accounts Payable	$ 5,672	$ -	$ 23,101	$ 50	$ 476	$ 455,491	$ 1,465
Contracts Payable	-	-	-	-	-	15,696	-
Accrued Liabilities	1,419	-	12,883	-	-	26,726	-
Due to Other Funds	-	-	-	-	-	-	-
Due to Other Governments	241	-	1,032	-	-	81,792	1,553
Due to Individuals	-	-	-	-	-	-	-
Deposits	5,257	-	-	-	-	-	-
Unearned Revenues	-	-	-	-	-	-	-
Total Liabilities	12,589	-	37,016	50	476	579,705	3,018
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows - Leases	-	-	-	-	-	-	-
Unavailable Grant Revenues	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-
FUND BALANCES							
Nonspendable:							
Inventories	-	-	-	-	-	-	-
Prepaid Items	208	-	-	-	-	-	-
Restricted for:							
Community Redevelopment	-	-	-	-	-	-	-
Court Innovations	-	-	-	-	-	-	-
Records Modernization Tech	-	-	-	-	-	-	-
Fire and Rescue	-	-	-	6,416	-	-	-
Inmate Benefits	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-
Parks and Recreation	482,339	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Resource Conservation	-	-	-	-	-	14,735,066	-
Road Construction	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	-	-
Transportation Maintenance	-	54,556	2,359,864	-	-	-	177,169
Committed to:							
Airport	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-	-
Total Fund Balances	482,547	54,556	2,359,864	6,416	-	14,735,066	177,169
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 495,136	$ 54,556	$ 2,396,880	$ 6,466	$ 476	$ 15,314,771	$ 180,187

(Continued)

MARION COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
September 30, 2025

	Sheriff Inmate Welfare	Clerk of the Circuit Court Trust Fund	Total Nonmajor Special Revenue Funds
ASSETS			
Cash and Cash Equivalents	$ 2,782,324	$ 4,015,417	$ 157,083,501
Investments	-	-	31,815,728
Accounts Receivable	3,500	-	985,733
Accrued Interest Receivable	-	-	88,941
Leases Receivable - Current	-	-	15,848
Leases Interest Receivable	-	-	1,978
Due from Other Funds	-	-	1,223,296
Due from Other Governments	36,081	-	1,620,562
Inventories	-	-	1,089,528
Prepaid Items	-	347,873	371,284
Leases Receivable	-	-	592,929
Total Assets	$ 2,821,905	$ 4,363,290	$ 194,889,328
LIABILITIES			
Accounts Payable	$ 25,521	$ 13,718	$ 5,824,226
Contracts Payable	-	-	298,756
Accrued Liabilities	-	15,240	279,020
Due to Other Funds	11,223	-	22,768
Due to Other Governments	3,000	1,705	1,433,461
Due to Individuals	2,000	-	2,000
Deposits	-	-	815,186
Unearned Revenues	-	-	444,396
Total Liabilities	41,744	30,663	9,119,813
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows - Leases	-	-	562,671
Unavailable Grant Revenues	-	-	979,624
Total Deferred Inflows of Resources	-	-	1,542,295
FUND BALANCES			
Nonspendable:			
Inventories	-	-	1,089,528
Prepaid Items	-	347,873	371,284
Restricted for:			
Community Redevelopment	-	-	887,534
Court Innovations	-	-	806,926
Records Modernization Tech	-	3,984,754	3,984,754
Fire and Rescue	-	-	6,144,842
Inmate Benefits	2,780,161	-	2,780,161
Law Enforcement	-	-	11,737,441
Parks and Recreation	-	-	2,684,881
Public Safety	-	-	19,013,975
Resource Conservation	-	-	14,735,066
Road Construction	-	-	87,714,390
Social Services	-	-	12,872,174
Tourism	-	-	7,602,523
Transportation Maintenance	-	-	8,632,681
Committed to:			
Airport	-	-	437,004
Parks & Recreation	-	-	2,732,056
Total Fund Balances	2,780,161	4,332,627	184,227,220
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 2,821,905	$ 4,363,290	$ 194,889,328

MARION COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2025

	Fines and Forfeitures	80% Gas Tax Construction	20% Gas Tax Construction	Sidewalk Construction	Marion County Airport	Silver Springs CRA Trust Fund	Alcohol and Drug Abuse Trust Fund	2nd Local Option Fuel Tax	Local Provider Participation	Marion County Health Department	Criminal Justice Court Costs	Opioid Settlement Fund
REVENUES												
Taxes	$ 27,213,721	$ 4,103,092	$ 1,025,773	$ -	$ -	$ -	$ -	$ 2,112,618	$ -	$ 3,607,062	$ -	$ -
Special Assessments	-	-	-	-	-	-	-	-	16,479,141	-	-	-
Impact Fees	-	-	-	-	-	-	-	-	-	-	-	-
Permits and Fees	-	-	-	132,835	-	-	-	-	-	-	-	-
Intergovernmental Revenues	626,017	-	-	-	-	443,344	-	-	-	-	-	-
Charges for Services	329,311	-	-	-	801,910	-	-	-	-	-	-	-
Judgments and Fines	371,685	-	-	-	-	-	-	-	-	-	-	-
Court-Related Revenues	156,025	-	-	-	-	-	25,498	-	-	-	435,012	-
Investment Income	693,723	510,635	181,509	41,392	14,375	41,818	2,986	399,540	306,864	140,131	32,744	192,087
Miscellaneous Revenues	88,269	-	-	-	14,153	-	-	-	-	5,300	-	2,084,603
Total Revenues	29,478,751	4,613,727	1,207,282	174,227	830,438	485,162	28,484	2,512,158	16,786,005	3,752,493	467,756	2,276,690
EXPENDITURES												
Current:												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	3,315,471	-	-	-	-	-	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	4,148,038	1,271,188	49,037	692,693	-	-	622,587	-	-	-	-
Economic Environment	-	-	-	-	-	185,713	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	17,406,884	3,474,135	116,939	3,709,750
Culture/Recreation	-	-	-	-	-	-	-	-	-	-	-	-
Court-Related	1,188,827	-	-	-	-	-	10,480	-	-	-	214,240	-
Debt Service:												
Principal Retirement	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	4,504,298	4,148,038	1,271,188	49,037	692,693	185,713	10,480	622,587	17,406,884	3,474,135	331,179	3,709,750
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,974,453	465,689	(63,906)	125,190	137,745	299,449	18,004	1,889,571	(620,879)	278,358	136,577	(1,433,060)
OTHER FINANCING SOURCES (USES)												
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Transfers (Out)	(24,996,969)	-	-	-	(35,000)	-	-	-	-	-	-	-
Issuance of Leases and SBITAs	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(24,996,969)	-	-	-	(35,000)	-	-	-	-	-	-	-
Net Change in Fund Balances	(22,516)	465,689	(63,906)	125,190	102,745	299,449	18,004	1,889,571	(620,879)	278,358	136,577	(1,433,060)
Fund Balances - Beginning	9,368,774	10,747,763	5,010,873	819,888	380,688	593,228	60,594	8,632,179	1,438,138	1,056,081	670,349	5,513,261
Fund Balances - Ending	$ 9,346,258	$ 11,213,452	$ 4,946,967	$ 945,078	$ 483,433	$ 892,677	$ 78,598	$ 10,521,750	$ 817,259	$ 1,334,439	$ 806,926	$ 4,080,201

(Continued)

MARION COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2025

	Law Enforcement Trust Fund	Sheriff's Educational	Federal Equitable Sharing	911 Management Fund	Building Department Fund	Tourist Development Fund	Parks and Recreation Fees Fund	Local Housing Assistance Trust	Medical Examiner	Impact Fee Trust Fund - East District	Impact Fee Trust Fund - West District	Impact Fee Trust Fund - Ocala District
REVENUES												
Taxes	$ -	$ -	$ -	$ -	$ 35,345	$ 6,160,912	$ -	$ -	$ -	$ -	$ -	$ -
Special Assessments	-	-	-	-	-	-	-	-	-	-	-	-
Impact Fees	-	-	-	-	-	-	-	-	-	2,708,487	15,052,230	199,929
Permits and Fees	-	-	-	-	10,619,485	-	-	-	-	-	-	-
Intergovernmental Revenues	-	-	17,839	2,121,191	-	-	-	2,530,401	5,103,205	-	-	-
Charges for Services	-	-	-	310,467	-	-	1,998,321	-	1,175,260	-	-	-
Judgments and Fines	214,772	-	-	-	-	-	-	-	-	-	-	-
Court-Related Revenues	-	81,250	-	-	-	-	-	-	-	-	-	-
Investment Income	40,121	51,485	14,153	246,277	724,412	399,805	210,088	330,821	92,200	548,466	1,514,822	159
Miscellaneous Revenues	-	-	-	45	28,062	16,663	34,044	1,061,090	-	-	-	-
Total Revenues	254,893	132,735	31,992	2,677,980	11,407,304	6,577,380	2,242,453	3,922,312	6,370,665	3,256,953	16,567,052	200,088
EXPENDITURES												
Current:												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	1,552,259	8,293,616	-	-	-	7,440,088	-	-	-
Physical Environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	754,480	8,040,798	-
Economic Environment	-	-	-	-	-	7,899,664	-	4,647,744	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	-	-	-	-
Culture/Recreation	-	-	-	-	-	-	3,770,530	-	-	-	-	-
Court-Related	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service:												
Principal Retirement	-	-	-	1,456	56,712	3,496	25,695	-	54,244	-	-	-
Interest and Fiscal Charges	-	-	-	11	5,573	229	2,748	-	1,825	-	-	-
Total Expenditures	-	-	-	1,553,726	8,355,901	7,903,389	3,798,973	4,647,744	7,496,157	754,480	8,040,798	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	254,893	132,735	31,992	1,124,254	3,051,403	(1,326,009)	(1,556,520)	(725,432)	(1,125,492)	2,502,473	8,526,254	200,088
OTHER FINANCING SOURCES (USES)												
Transfers In	-	-	-	-	39,140	-	35,000	-	1,421,587	-	-	-
Transfers (Out)	(214,100)	-	-	-	-	(500,000)	(13,655)	-	-	-	-	-
Issuance of Leases and SBITAs	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(214,100)	-	-	-	39,140	(500,000)	21,345	-	1,421,587	-	-	-
Net Change in Fund Balances	40,793	132,735	31,992	1,124,254	3,090,543	(1,826,009)	(1,535,175)	(725,432)	296,095	2,502,473	8,526,254	200,088
Fund Balances - Beginning	828,791	1,064,752	292,120	5,017,291	13,511,562	9,442,874	4,267,231	7,287,109	2,115,850	10,656,788	31,575,743	-
Fund Balances - Ending	$ 869,584	$ 1,197,487	$ 324,112	$ 6,141,545	$ 16,602,105	$ 7,616,865	$ 2,732,056	$ 6,561,677	$ 2,411,945	$ 13,159,261	$ 40,101,997	$ 200,088

(Continued)

MARION COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2025

	Rainbow Lakes Estates MSD	Rainbow Lakes Estates Fire Protection MSBU	Marion Oaks MSTU	MSTU/MSBU for Road Improvements	Silver Springs Shores MSTU
REVENUES					
Taxes	$ 290,638	$ -	$ 1,642,570	$ -	$ 1,178,127
Special Assessments	-	100,627	-	4,451,084	-
Impact Fees	-	-	-	-	-
Permits and Fees	189,368	-	-	-	-
Intergovernmental Revenues	-	-	-	5,150	-
Charges for Services	27	-	157	-	129
Judgments and Fines	-	-	-	-	-
Court-Related Revenues	-	-	-	-	-
Investment Income	54,539	9,469	74,786	660,293	50,747
Miscellaneous Revenues	4,250	2,251	129,861	-	58,907
Total Revenues	538,822	112,347	1,847,374	5,116,527	1,287,910
EXPENDITURES					
Current:					
General Government	414,742	-	1,572,382	-	-
Public Safety	-	502,626	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	4,611,015	59,733
Economic Environment	-	-	-	-	-
Human Services	-	-	-	-	-
Culture/Recreation	-	-	-	-	1,041,869
Court-Related	-	-	-	-	-
Debt Service:					
Principal Retirement	2,530	-	-	-	602
Interest and Fiscal Charges	23	-	-	-	8
Total Expenditures	417,295	502,626	1,572,382	4,611,015	1,102,212
Excess (Deficiency) of Revenues Over (Under) Expenditures	121,527	(390,279)	274,992	505,512	185,698
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	25,000	-
Transfers (Out)	-	-	-	-	-
Issuance of Leases and SBITAs	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	25,000	-
Net Change in Fund Balances	121,527	(390,279)	274,992	530,512	185,698
Fund Balances - Beginning	1,070,938	390,279	1,051,235	11,987,390	690,762
Fund Balances - Ending	$ 1,192,465	$ -	$ 1,326,227	$ 12,517,902	$ 876,460

	MSTU/MSBU for Recreation	MSBU for DRA Maintenance	MSTU/MSBU for Street Lighting	Fire Rescue Impact Fees	Stormwater Program	MSTU/MSBU for General Services
REVENUES						
Taxes	$ 235,541	$ -	$ -	$ -	$ -	$ -
Special Assessments	-	9,638	1,548,368	-	4,091,201	40,988
Impact Fees	-	-	-	-	-	-
Permits and Fees	-	-	-	-	-	-
Intergovernmental Revenues	1,225	-	184	-	314,429	-
Charges for Services	23	-	-	-	30,790	-
Judgments and Fines	-	-	-	-	-	-
Court-Related Revenues	-	-	-	-	-	-
Investment Income	21,191	2,331	123,065	315	675,700	8,535
Miscellaneous Revenues	41,472	-	11,174	-	4,709	-
Total Revenues	299,452	11,969	1,682,791	315	5,116,829	49,523
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	44,321
Public Safety	-	-	-	857	-	-
Physical Environment	-	-	-	-	4,457,663	-
Transportation	-	763	1,384,951	-	-	-
Economic Environment	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Culture/Recreation	157,407	-	-	-	-	-
Court-Related	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	8,590	-
Interest and Fiscal Charges	-	-	-	-	384	-
Total Expenditures	157,407	763	1,384,951	857	4,466,637	44,321
Excess (Deficiency) of Revenues Over (Under) Expenditures	142,045	11,206	297,840	(542)	650,192	5,202
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	-
Transfers (Out)	-	-	-	-	-	-
Issuance of Leases and SBITAs	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	142,045	11,206	297,840	(542)	650,192	5,202
Fund Balances - Beginning	340,502	43,350	2,062,024	6,958	14,084,874	171,967
Fund Balances - Ending	$ 482,547	$ 54,556	$ 2,359,864	$ 6,416	$ 14,735,066	$ 177,169

(Continued)

MARION COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2025

	Sheriff Inmate Welfare	Clerk of the Circuit Court Trust Fund	Total Nonmajor Special Revenue Funds
REVENUES			
Taxes	$ -	$ -	$ 47,605,399
Special Assessments	-	-	26,721,047
Impact Fees	-	-	17,960,646
Permits and Fees	-	-	10,941,688
Intergovernmental Revenues	-	-	11,162,985
Charges for Services	825,213	1,247,272	6,718,880
Judgments and Fines	-	-	586,457
Court-Related Revenues	-	139,761	837,546
Investment Income	-	199,027	8,610,611
Miscellaneous Revenues	-	42	3,584,895
Total Revenues	825,213	1,586,102	134,730,154
EXPENDITURES			
Current:			
General Government	-	40,732	2,072,177
Public Safety	923,950	-	22,028,867
Physical Environment	-	-	4,457,663
Transportation	-	-	21,635,283
Economic Environment	-	-	12,733,121
Human Services	-	-	24,707,708
Culture/Recreation	-	-	4,969,806
Court-Related	-	503,863	1,917,410
Debt Service:			
Principal Retirement	3,709	43,651	200,685
Interest and Fiscal Charges	226	1,191	12,218
Total Expenditures	927,885	589,437	94,734,938
Excess (Deficiency) of Revenues Over (Under) Expenditures	(102,672)	996,665	39,995,216
OTHER FINANCING SOURCES (USES)			
Transfers In	-	6,213	1,526,940
Transfers (Out)	-	-	(25,759,724)
Issuance of Leases and SBITAs	-	5,679	5,679
Total Other Financing Sources (Uses)	-	11,892	(24,227,105)
Net Change in Fund Balances	(102,672)	1,008,557	15,768,111
Fund Balances - Beginning	2,882,833	3,324,070	168,459,109
Fund Balances - Ending	$ 2,780,161	$ 4,332,627	$ 184,227,220

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FINES AND FORFEITURES FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 26,985,521	$ 27,213,721	$ 228,200
Intergovernmental Revenues	406,956	626,017	219,061
Charges for Services	315,400	329,311	13,911
Judgments and Fines	314,450	371,685	57,235
Court-Related Revenues	128,250	156,025	27,775
Investment Income	745,370	693,723	(51,647)
Miscellaneous Revenues	92,587	88,269	(4,318)
Total Revenues	28,988,534	29,478,751	490,217
EXPENDITURES			
Current:			
Public Safety			
Fine and Forfeiture Crime Prevention	24,486,512	3,315,471	21,171,041
Court-Related			
Fines & Forfeitures	13,152,615	1,188,827	11,963,788
Total Expenditures	37,639,127	4,504,298	33,134,829
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,650,593)	24,974,453	33,625,046
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	-	(24,996,969)	(24,996,969)
Total Other Financing Sources and (Uses)	-	(24,996,969)	(24,996,969)
Net Change in Fund Balance	(8,650,593)	(22,516)	8,628,077
Fund Balance - Beginning	8,650,593	9,368,774	718,181
Fund Balance - Ending	$ -	$ 9,346,258	$ 9,346,258

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
80% GAS TAX CONSTRUCTION FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 3,908,150	$ 4,103,092	$ 194,942
Investment Income	460,750	510,635	49,885
Total Revenues	4,368,900	4,613,727	244,827
EXPENDITURES			
Current:			
Transportation	15,116,663	4,148,038	10,968,625
Total Expenditures	15,116,663	4,148,038	10,968,625
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,747,763)	465,689	11,213,452
Net Change in Fund Balance	(10,747,763)	465,689	11,213,452
Fund Balance - Beginning	10,747,763	10,747,763	-
Fund Balance - Ending	$ -	$ 11,213,452	$ 11,213,452

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
20% GAS TAX CONSTRUCTION FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 977,038	$ 1,025,773	$ 48,735
Investment Income	166,250	181,509	15,259
Total Revenues	1,143,288	1,207,282	63,994
EXPENDITURES			
Current:			
Transportation	5,516,067	1,271,188	4,244,879
Total Expenditures	5,516,067	1,271,188	4,244,879
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,372,779)	(63,906)	4,308,873
Net Change in Fund Balance	(4,372,779)	(63,906)	4,308,873
Fund Balance - Beginning	4,372,779	5,010,873	638,094
Fund Balance - Ending	$ -	$ 4,946,967	$ 4,946,967

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SIDEWALK CONSTRUCTION
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Permits and Fees	$ 148,000	$ 132,835	$ (15,165)
Investment Income	38,000	41,392	3,392
Total Revenues	186,000	174,227	(11,773)
EXPENDITURES			
Current:			
Transportation	1,005,888	49,037	956,851
Total Expenditures	1,005,888	49,037	956,851
Excess (Deficiency) of Revenues Over (Under) Expenditures	(819,888)	125,190	945,078
Net Change in Fund Balance	(819,888)	125,190	945,078
Fund Balance - Beginning	819,888	819,888	-
Fund Balance - Ending	$ -	$ 945,078	$ 945,078

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MARION COUNTY AIRPORT
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 7,581,729	$ -	$ (7,581,729)
Charges for Services	959,025	801,910	(157,115)
Investment Income	13,585	14,375	790
Miscellaneous Revenues	4,560	14,153	9,593
Total Revenues	8,558,899	830,438	(7,728,461)
EXPENDITURES			
Current:			
Transportation	8,992,764	692,693	8,300,071
Total Expenditures	8,992,764	692,693	8,300,071
Excess (Deficiency) of Revenues Over (Under) Expenditures	(433,865)	137,745	571,610
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(35,000)	(35,000)	-
Total Other Financing Sources and (Uses)	(35,000)	(35,000)	-
Net Change in Fund Balance	(468,865)	102,745	571,610
Fund Balance - Beginning	468,865	380,688	(88,177)
Fund Balance - Ending	$ -	$ 483,433	$ 483,433

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SILVER SPRINGS CRA TRUST FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 460,950	$ 443,344	$ (17,606)
Investment Income	24,700	41,818	17,118
Total Revenues	485,650	485,162	(488)
EXPENDITURES			
Current:			
Economic Environment	864,248	185,713	678,535
Total Expenditures	864,248	185,713	678,535
Excess (Deficiency) of Revenues Over (Under) Expenditures	(378,598)	299,449	678,047
Net Change in Fund Balance	(378,598)	299,449	678,047
Fund Balance - Beginning	378,598	593,228	214,630
Fund Balance - Ending	$ -	$ 892,677	$ 892,677

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
ALCOHOL AND DRUG ABUSE TRUST FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Court-Related Revenues	$ 24,700	$ 25,498	$ 798
Investment Income	1,900	2,986	1,086
Total Revenues	26,600	28,484	1,884
EXPENDITURES			
Current:			
Court-Related	90,193	10,480	79,713
Total Expenditures	90,193	10,480	79,713
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,593)	18,004	81,597
Net Change in Fund Balance	(63,593)	18,004	81,597
Fund Balance - Beginning	63,593	60,594	(2,999)
Fund Balance - Ending	$ -	$ 78,598	$ 78,598

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2nd LOCAL OPTION FUEL TAX FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 2,146,070	$ 2,112,618	$ (33,452)
Investment Income	359,100	399,540	40,440
Total Revenues	2,505,170	2,512,158	6,988
EXPENDITURES			
Current:			
Transportation	11,137,349	622,587	10,514,762
Total Expenditures	11,137,349	622,587	10,514,762
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,632,179)	1,889,571	10,521,750
Net Change in Fund Balance	(8,632,179)	1,889,571	10,521,750
Fund Balance - Beginning	8,632,179	8,632,179	-
Fund Balance - Ending	$ -	$ 10,521,750	$ 10,521,750

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL PROVIDER PARTICIPATION
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 16,479,141	$ 16,479,141	$ -
Investment Income	306,864	306,864	-
Total Revenues	16,786,005	16,786,005	-
EXPENDITURES			
Current:			
Human Services	17,655,542	17,406,884	248,658
Total Expenditures	17,655,542	17,406,884	248,658
Excess (Deficiency) of Revenues Over (Under) Expenditures	(869,537)	(620,879)	248,658
Net Change in Fund Balance	(869,537)	(620,879)	248,658
Fund Balance - Beginning	869,537	1,438,138	568,601
Fund Balance - Ending	$ -	$ 817,259	$ 817,259

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MARION COUNTY HEALTH DEPARTMENT FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 3,574,517	$ 3,607,062	$ 32,545
Investment Income	58,187	140,131	81,944
Miscellaneous Revenues	-	5,300	5,300
Total Revenues	3,632,704	3,752,493	119,789
EXPENDITURES			
Current:			
Human Services	4,693,038	3,474,135	1,218,903
Total Expenditures	4,693,038	3,474,135	1,218,903
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,060,334)	278,358	1,338,692
Net Change in Fund Balance	(1,060,334)	278,358	1,338,692
Fund Balance - Beginning	1,060,334	1,056,081	(4,253)
Fund Balance - Ending	$ -	$ 1,334,439	$ 1,334,439

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CRIMINAL JUSTICE COURT COSTS FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Court-Related Revenues	$ 383,800	$ 435,012	$ 51,212
Investment Income	17,290	32,744	15,454
Total Revenues	401,090	467,756	66,666
EXPENDITURES			
Current:			
Human Services	95,950	116,939	(20,989)
Court-Related	902,255	214,240	688,015
Total Expenditures	998,205	331,179	667,026
Excess (Deficiency) of Revenues Over (Under) Expenditures	(597,115)	136,577	733,692
Net Change in Fund Balance	(597,115)	136,577	733,692
Fund Balance - Beginning	597,115	670,349	73,234
Fund Balance - Ending	$ -	$ 806,926	$ 806,926

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
OPIOID SETTLEMENT FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ 182,400	$ 192,087	$ 9,687
Miscellaneous Revenues	2,084,602	2,084,603	1
Total Revenues	2,267,002	2,276,690	9,688
EXPENDITURES			
Current:			
Human Services	7,780,262	3,709,750	4,070,512
Total Expenditures	7,780,262	3,709,750	4,070,512
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,513,260)	(1,433,060)	4,080,200
Net Change in Fund Balance	(5,513,260)	(1,433,060)	4,080,200
Fund Balance - Beginning	5,513,260	5,513,261	1
Fund Balance - Ending	$ -	$ 4,080,201	$ 4,080,201

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT TRUST FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Judgments and Fines	$ 131,100	$ 214,772	$ 83,672
Investment Income	30,875	40,121	9,246
Total Revenues	161,975	254,893	92,918
EXPENDITURES			
Current:			
General Government	809,725	-	809,725
Total Expenditures	809,725	-	809,725
Excess (Deficiency) of Revenues Over (Under) Expenditures	(647,750)	254,893	902,643
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(214,100)	(214,100)	-
Total Other Financing Sources and (Uses)	(214,100)	(214,100)	-
Net Change in Fund Balance	(861,850)	40,793	902,643
Fund Balance - Beginning	861,850	828,791	(33,059)
Fund Balance - Ending	$ -	$ 869,584	$ 869,584

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SHERIFF'S EDUCATIONAL FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Court-Related Revenues	$ 52,250	$ 81,250	$ 29,000
Investment Income	38,950	51,485	12,535
Total Revenues	91,200	132,735	41,535
EXPENDITURES			
Current:			
Public Safety	1,143,255	-	1,143,255
Total Expenditures	1,143,255	-	1,143,255
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,052,055)	132,735	1,184,790
Net Change in Fund Balance	(1,052,055)	132,735	1,184,790
Fund Balance - Beginning	1,052,055	1,064,752	12,697
Fund Balance - Ending	$ -	$ 1,197,487	$ 1,197,487

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FEDERAL EQUITABLE SHARING
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ -	$ 17,839	$ 17,839
Investment Income	-	14,153	14,153
Total Revenues	-	31,992	31,992
EXPENDITURES			
Current:			
General Government	274,060	-	274,060
Total Expenditures	274,060	-	274,060
Excess (Deficiency) of Revenues Over (Under) Expenditures	(274,060)	31,992	306,052
Net Change in Fund Balance	(274,060)	31,992	306,052
Fund Balance - Beginning	274,060	292,120	18,060
Fund Balance - Ending	$ -	$ 324,112	$ 324,112

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
911 MANAGEMENT FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 2,244,850	$ 2,121,191	$ (123,659)
Charges for Services	255,550	310,467	54,917
Investment Income	152,000	246,277	94,277
Miscellaneous Revenues	-	45	45
Total Revenues	2,652,400	2,677,980	25,580
EXPENDITURES			
Current:			
Public Safety	7,412,049	1,552,259	5,859,790
Debt Service:			
Principal Retirement	-	1,456	(1,456)
Interest and Fiscal Charges	-	11	(11)
Total Expenditures	7,412,049	1,553,726	5,858,323
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,759,649)	1,124,254	5,883,903
Net Change in Fund Balance	(4,759,649)	1,124,254	5,883,903
Fund Balance - Beginning	4,759,649	5,017,291	257,642
Fund Balance - Ending	$ -	$ 6,141,545	$ 6,141,545

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING DEPARTMENT FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 42,750	$ 35,345	$ (7,405)
Permits and Fees	7,172,500	10,619,485	3,446,985
Investment Income	437,950	724,412	286,462
Miscellaneous Revenues	17,100	28,062	10,962
Total Revenues	7,670,300	11,407,304	3,737,004
EXPENDITURES			
Current:			
Public Safety	17,465,503	8,293,616	9,171,887
Debt Service:			
Principal Retirement	-	56,712	(56,712)
Interest and Fiscal Charges	-	5,573	(5,573)
Total Expenditures	17,465,503	8,355,901	9,109,602
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,795,203)	3,051,403	12,846,606
OTHER FINANCING SOURCES (USES)			
Transfers In	39,140	39,140	-
Total Other Financing Sources and (Uses)	39,140	39,140	-
Net Change in Fund Balance	(9,756,063)	3,090,543	12,846,606
Fund Balance - Beginning	9,756,063	13,511,562	3,755,499
Fund Balance - Ending	$ -	$ 16,602,105	$ 16,602,105

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
TOURIST DEVELOPMENT FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 4,164,921	$ 6,160,912	$ 1,995,991
Investment Income	527,250	399,805	(127,445)
Miscellaneous Revenues	-	16,663	16,663
Total Revenues	4,692,171	6,577,380	1,885,209
EXPENDITURES			
Current:			
Economic Environment	14,382,524	7,899,664	6,482,860
Debt Service:			
Principal Retirement	-	3,496	(3,496)
Interest and Fiscal Charges	-	229	(229)
Total Expenditures	14,382,524	7,903,389	6,479,135
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,690,353)	(1,326,009)	8,364,344
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(500,000)	(500,000)	-
Total Other Financing Sources and (Uses)	(500,000)	(500,000)	-
Net Change in Fund Balance	(10,190,353)	(1,826,009)	8,364,344
Fund Balance - Beginning	10,190,353	9,442,874	(747,479)
Fund Balance - Ending	$ -	$ 7,616,865	$ 7,616,865

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PARKS AND RECREATION FEES FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Charges for Services	$ 2,310,046	$ 1,998,321	$ (311,725)
Investment Income	156,655	210,088	53,433
Miscellaneous Revenues	-	34,044	34,044
Total Revenues	2,466,701	2,242,453	(224,248)
EXPENDITURES			
Current:			
Culture/Recreation	6,864,043	3,770,530	3,093,513
Debt Service:			
Principal Retirement	-	25,695	(25,695)
Interest and Fiscal Charges	-	2,748	(2,748)
Total Expenditures	6,864,043	3,798,973	3,065,070
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,397,342)	(1,556,520)	2,840,822
OTHER FINANCING SOURCES (USES)			
Transfers In	35,000	35,000	-
Transfers (Out)	(13,655)	(13,655)	-
Total Other Financing Sources and (Uses)	21,345	21,345	-
Net Change in Fund Balance	(4,375,997)	(1,535,175)	2,840,822
Fund Balance - Beginning	4,375,997	4,267,231	(108,766)
Fund Balance - Ending	$ -	$ 2,732,056	$ 2,732,056

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL HOUSING ASSISTANCE TRUST FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 2,553,788	$ 2,530,401	$ (23,387)
Investment Income	354,350	330,821	(23,529)
Miscellaneous Revenues	517,750	1,061,090	543,340
Total Revenues	3,425,888	3,922,312	496,424
EXPENDITURES			
Current:			
Economic Environment	12,204,042	4,647,744	7,556,298
Total Expenditures	12,204,042	4,647,744	7,556,298
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,778,154)	(725,432)	8,052,722
Net Change in Fund Balance	(8,778,154)	(725,432)	8,052,722
Fund Balance - Beginning	8,778,154	7,287,109	(1,491,045)
Fund Balance - Ending	$ -	$ 6,561,677	$ 6,561,677

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MEDICAL EXAMINER
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 5,099,696	$ 5,103,205	$ 3,509
Charges for Services	1,040,000	1,175,260	135,260
Investment Income	81,605	92,200	10,595
Total Revenues	6,221,301	6,370,665	149,364
EXPENDITURES			
Current:			
Public Safety	9,951,052	7,440,088	2,510,964
Debt service:			
Principal Retirement	-	54,244	(54,244)
Interest and Fiscal Charges	-	1,825	(1,825)
Total Expenditures	9,951,052	7,496,157	2,454,895
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,729,751)	(1,125,492)	2,604,259
OTHER FINANCING SOURCES (USES)			
Transfers In	1,421,587	1,421,587	-
Total Other Financing Sources and (Uses)	1,421,587	1,421,587	-
Net Change in Fund Balance	(2,308,164)	296,095	2,604,259
Fund Balance - Beginning	2,308,164	2,115,850	(192,314)
Fund Balance - Ending	$ -	$ 2,411,945	$ 2,411,945

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
IMPACT FEE TRUST FUND - EAST DISTRICT
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Impact Fees	$ 2,885,000	$ 2,708,487	$ (176,513)
Investment Income	367,650	548,466	180,816
Total Revenues	3,252,650	3,256,953	4,303
EXPENDITURES			
Current:			
Transportation			
Impact Fee Trust, East District	13,909,438	754,480	13,154,958
Total Expenditures	13,909,438	754,480	13,154,958
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,656,788)	2,502,473	13,159,261
Net Change in Fund Balance	(10,656,788)	2,502,473	13,159,261
Fund Balance - Beginning	10,656,788	10,656,788	-
Fund Balance - Ending	$ -	$ 13,159,261	$ 13,159,261

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
IMPACT FEE TRUST FUND - WEST DISTRICT
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Impact Fees	$ 5,955,000	$ 15,052,230	$ 9,097,230
Investment Income	939,550	1,514,822	575,272
Total Revenues	6,894,550	16,567,052	9,672,502
EXPENDITURES			
Current:			
Transportation			
Impact Fee Trust, West District	38,470,293	8,040,798	30,429,495
Total Expenditures	38,470,293	8,040,798	30,429,495
Excess (Deficiency) of Revenues Over (Under) Expenditures	(31,575,743)	8,526,254	40,101,997
Net Change in Fund Balance	(31,575,743)	8,526,254	40,101,997
Fund Balance - Beginning	31,575,743	31,575,743	-
Fund Balance - Ending	$ -	$ 40,101,997	$ 40,101,997

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
RAINBOW LAKES ESTATES MSD FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 288,546	$ 290,638	$ 2,092
Permits and Fees	175,750	189,368	13,618
Charges for Services	-	27	27
Investment Income	46,740	54,539	7,799
Miscellaneous Revenues	3,800	4,250	450
Total Revenues	514,836	538,822	23,986
EXPENDITURES			
Current:			
General Government	1,434,510	414,742	1,019,768
Debt Service:			
Principal Retirement	-	2,530	(2,530)
Interest and Fiscal Charges	-	23	(23)
Total Expenditures	1,434,510	417,295	1,017,215
Excess (Deficiency) of Revenues Over (Under) Expenditures	(919,674)	121,527	1,041,201
Net Change in Fund Balance	(919,674)	121,527	1,041,201
Fund Balance - Beginning	919,674	1,070,938	151,264
Fund Balance - Ending	$ -	$ 1,192,465	$ 1,192,465

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
RAINBOW LAKES ESTATES FIRE PROTECTION FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 180,319	$ 100,627	$ (79,692)
Investment Income	3,135	9,469	6,334
Miscellaneous Revenues	-	2,251	2,251
Total Revenues	183,454	112,347	(71,107)
EXPENDITURES			
Current:			
Public Safety	502,626	502,626	-
Total Expenditures	502,626	502,626	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(319,172)	(390,279)	(71,107)
Net Change in Fund Balance	(319,172)	(390,279)	(71,107)
Fund Balance - Beginning	319,172	390,279	71,107
Fund Balance - Ending	$ -	$ -	$ -

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MARION OAKS MSTU FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 1,624,371	$ 1,642,570	$ 18,199
Charges for Services	-	157	157
Investment Income	21,375	74,786	53,411
Miscellaneous Revenues	121,600	129,861	8,261
Total Revenues	1,767,346	1,847,374	80,028
EXPENDITURES			
Current:			
General Government	2,584,401	1,572,382	1,012,019
Total Expenditures	2,584,401	1,572,382	1,012,019
Excess (Deficiency) of Revenues Over (Under) Expenditures	(817,055)	274,992	1,092,047
Net Change in Fund Balance	(817,055)	274,992	1,092,047
Fund Balance - Beginning	817,055	1,051,235	234,180
Fund Balance - Ending	$ -	$ 1,326,227	$ 1,326,227

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MSTU/MSBU FOR ROAD IMPROVEMENTS SPECIAL ASSESSMENT FUNDS
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 4,247,262	$ 4,451,084	$ 203,822
Intergovernmental Revenues	-	5,150	5,150
Investment Income	469,656	660,293	190,637
Total Revenues	4,716,918	5,116,527	399,609
EXPENDITURES			
Current:			
Transportation			
Rainbow Lakes Estates MSTU	1,890,870	1,031,966	858,904
Silver Springs Shores MSTU	2,836,756	30,830	2,805,926
Lake Tropicana MSTU	944,523	20,485	924,038
Golden Hills MSTU	652,283	3,361	648,922
Kingsland -Waterway MSBU	684,797	12,703	672,094
Kingsland -Forrest Glenn MSBU	771,971	12,314	759,657
Silver Spring Acres MSBU	237,916	82,229	155,687
Ocala Water Way Estates MSBU	472,247	17,166	455,081
NW 17-Northwoods MSBU	24,752	4,960	19,792
Rainbow Park 1,2 MSBU	1,360,310	43,183	1,317,127
Pine Run Estates MSTU	273,076	70,997	202,079
Woods and Lakes MSTU	601,190	6,733	594,457
Marion Oaks Road Improvement	5,300,115	3,254,895	2,045,220
Paradise Farms Road Mowing	24,368	8,170	16,198
Stonecrest Center MSBU	94,990	2,406	92,584
Deer Path Estates 1,2 MSBU	133,266	8,105	125,161
RM Maricamp Market 1,2 MSBU	17,344	512	16,832
Total Expenditures	16,320,774	4,611,015	11,709,759
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,603,856)	505,512	12,109,368
OTHER FINANCING SOURCES (USES)			
Transfers In	25,000	25,000	-
Total Other Financing Sources and (Uses)	25,000	25,000	-
Net Change in Fund Balance	(11,578,856)	530,512	12,109,368
Fund Balance - Beginning	11,578,856	11,987,390	408,534
Fund Balance - Ending	$ -	$ 12,517,902	$ 12,517,902

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SILVER SPRINGS SHORES MSTU
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 1,156,855	$ 1,178,127	$ 21,272
Charges for Services	-	129	129
Investment Income	23,180	50,747	27,567
Miscellaneous Revenues	51,300	58,907	7,607
Total Revenues	1,231,335	1,287,910	56,575
EXPENDITURES			
Current:			
Transportation	60,000	59,733	267
Culture/Recreation	1,767,150	1,041,869	725,281
Debt Service:			
Principal Retirement	-	602	(602)
Interest and Fiscal Charges	-	8	(8)
Total Expenditures	1,827,150	1,102,212	724,938
Excess (Deficiency) of Revenues Over (Under) Expenditures	(595,815)	185,698	781,513
Net Change in Fund Balance	(595,815)	185,698	781,513
Fund Balance - Beginning	595,815	690,762	94,947
Fund Balance - Ending	$ -	$ 876,460	$ 876,460

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MSTU/MSBU FOR RECREATION SPECIAL ASSESSMENT FUNDS
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 235,246	$ 235,541	$ 295
Intergovernmental Revenues	-	1,225	1,225
Charges for Services	-	23	23
Investment Income	4,483	21,191	16,708
Miscellaneous Revenues	2,280	41,472	39,192
Total Revenues	242,009	299,452	57,443
EXPENDITURES			
Current:			
Recreation			
Rainbow Lakes Recreation Facility	374,592	111,696	262,896
Hills of Ocala for Recreation	140,633	45,711	94,922
Total Expenditures	515,225	157,407	357,818
Excess (Deficiency) of Revenues Over (Under) Expenditures	(273,216)	142,045	415,261
Net Change in Fund Balance	(273,216)	142,045	415,261
Fund Balance - Beginning	273,216	340,502	67,286
Fund Balance - Ending	$ -	$ 482,547	$ 482,547

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MSBU FOR DRA MAINTENANCE
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 9,538	$ 9,638	$ 100
Investment Income	1,472	2,331	859
Total Revenues	11,010	11,969	959
EXPENDITURES			
Current:			
Transportation	43,478	763	42,715
Total Expenditures	43,478	763	42,715
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,468)	11,206	43,674
Net Change in Fund Balance	(32,468)	11,206	43,674
Fund Balance - Beginning	32,468	43,350	10,882
Fund Balance - Ending	$ -	$ 54,556	$ 54,556

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MSTU/MSBU FOR STREET LIGHTING
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 1,521,792	$ 1,548,368	$ 26,576
Intergovernmental Revenues	-	184	184
Investment Income	89,607	123,065	33,458
Miscellaneous Revenues	-	11,174	11,174
Total Revenues	1,611,399	1,682,791	71,392
EXPENDITURES			
Current:			
Indian Meadow MSTU	6,157	3,120	3,037
Ocala Heights MSTU	41,984	3,788	38,196
Bahia Oaks MSTU	28,438	17,680	10,758
Boardman MSTU	15,356	4,249	11,107
Doublegate MSTU	3,584	3,069	515
Hickory Hills MSTU	8,170	2,709	5,461
Raven Hills MSTU	10,114	2,744	7,370
Churchill Subdivision MSTU	10,124	2,825	7,299
Little Lake Weir MSTU	147,470	13,622	133,848
Rainbow's End MSTU	475,689	1,787	473,902
Marion Oaks MSTU	2,602,888	1,251,535	1,351,353
Citrus Park MSTU	18,997	5,324	13,673
Boulder Hill MSTU	13,135	1,358	11,777
Kingsland MSBU	78,614	71,141	7,473
Total Expenditures	3,460,720	1,384,951	2,075,769
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,849,321)	297,840	2,147,161
Net Change in Fund Balance	(1,849,321)	297,840	2,147,161
Fund Balance - Beginning	1,849,321	2,062,024	212,703
Fund Balance - Ending	$ -	$ 2,359,864	$ 2,359,864

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FIRE RESCUE IMPACT FEES FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ 190	$ 315	$ 125
Total Revenues	190	315	125
EXPENDITURES			
Current:			
Public Safety	7,147	857	6,290
Total Expenditures	7,147	857	6,290
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,957)	(542)	6,415
Net Change in Fund Balance	(6,957)	(542)	6,415
Fund Balance - Beginning	6,957	6,958	1
Fund Balance - Ending	$ -	$ 6,416	$ 6,416

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STORMWATER PROGRAM
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 3,963,664	$ 4,091,201	$ 127,537
Intergovernmental Revenues	431,633	314,429	(117,204)
Charges for Services	-	30,790	30,790
Investment Income	334,400	675,700	341,300
Miscellaneous Revenues	-	4,709	4,709
Total Revenues	4,729,697	5,116,829	387,132
EXPENDITURES			
Current:			
Physical Environment	17,693,688	4,457,663	13,236,025
Debt Service:			
Principal Retirement	-	8,590	(8,590)
Interest and Fiscal Charges	-	384	(384)
Total Expenditures	17,693,688	4,466,637	13,227,051
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,963,991)	650,192	13,614,183
Net Change in Fund Balance	(12,963,991)	650,192	13,614,183
Fund Balance - Beginning	12,963,991	14,084,874	1,120,883
Fund Balance - Ending	$ -	$ 14,735,066	$ 14,735,066

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MSTU/MSBU FOR GENERAL SERVICES
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 39,931	$ 40,988	$ 1,057
Investment Income	6,645	8,535	1,890
Total Revenues	46,576	49,523	2,947
EXPENDITURES			
Current:			
General Government			
Tompkins and Georges Addition	17,393	8,344	9,049
Country Estates Buffington Addition	3,190	2,273	917
Wineberry MSTU	11,861	3,402	8,459
Golden Hills MSTU	123,430	19,714	103,716
Delcrest MSTU	13,671	1,773	11,898
Bellaire MSTU	10,352	2,210	8,142
Hamlet at Sherman Oaks MSBU	29,151	6,605	22,546
Total Expenditures	209,048	44,321	164,727
Excess (Deficiency) of Revenues Over (Under) Expenditures	(162,472)	5,202	167,674
Net Change in Fund Balance	(162,472)	5,202	167,674
Fund Balance - Beginning	162,472	171,967	9,495
Fund Balance - Ending	$ -	$ 177,169	$ 177,169

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CLERK OF THE CIRCUIT COURT TRUST FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Charges for Services	$ 1,030,000	$ 1,247,272	$ 217,272
Court-Related Revenues	8,300	139,761	131,461
Investment Income	82,700	199,027	116,327
Miscellaneous Revenues	-	42	42
Total Revenues	1,121,000	1,586,102	465,102
EXPENDITURES			
Current:			
General Government	1,524,701	40,732	1,483,969
Court-Related	1,683,457	503,863	1,179,594
Debt Service:			
Principal Retirement	-	43,651	(43,651)
Interest and Fiscal Charges	-	1,191	(1,191)
Total Expenditures	3,208,158	589,437	2,618,721
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,087,158)	996,665	3,083,823
OTHER FINANCING SOURCES (USES)			
Transfers In	6,213	6,213	-
Issuance of Leases and SBITAs	-	5,679	5,679
Total Other Financing Sources and (Uses)	6,213	11,892	5,679
Net Change in Fund Balance	(2,080,945)	1,008,557	3,089,502
Fund Balance - Beginning	2,080,945	3,324,070	1,243,125
Fund Balance - Ending	$ -	$ 4,332,627	$ 4,332,627

MARION COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
September 30, 2025

	Public Improvement Transportation Debt Service	Special Assessment Bonds, Series 2014A	Special Assessment Bonds, Series 2015A	Special Assessment Bonds, Series 2016A	Special Assessment Bonds, Series 2017A	Special Assessment Bonds, Series 2019A	Special Assessment Bonds, Series 2021A	Special Assessment Bonds, Series 2022A	Special Assessment Bonds, Series 2024A	Special Assessment Bonds, Series 2024B
ASSETS										
Cash and Cash Equivalents	$ 3,833,707	$ 67,931	$ 24,814	$ 39,092	$ 45,953	$ 21,387	$ 49,064	$ 17,980	$ 45,601	$ 92,704
Special Assessments Receivable	-	-	-	-	58,611	208,848	931,572	225,858	804,125	1,822,522
Due from Other Funds	-	-	-	-	276	-	-	-	-	4,922
Due from Other Governments	605,190	-	-	-	-	-	-	-	-	-
Total Assets	$ 4,438,897	$ 67,931	$ 24,814	$ 39,092	$ 104,840	$ 230,235	$ 980,636	$ 243,838	$ 849,726	$ 1,920,148
DEFERRED INFLOWS OF RESOURCES										
Deferred Assessments	$ -	$ -	$ -	$ -	$ 58,611	$ 208,848	$ 931,572	$ 225,858	$ 804,125	$ 1,822,522
Total Deferred Inflows of Resources	-	-	-	-	58,611	208,848	931,572	225,858	804,125	1,822,522
FUND BALANCES										
Restricted for:										
Debt Service Reserve	4,438,897	67,931	24,814	39,092	46,229	21,387	49,064	17,980	45,601	97,626
Total Fund Balances	4,438,897	67,931	24,814	39,092	46,229	21,387	49,064	17,980	45,601	97,626
Total Deferred Inflows of Resources, and Fund Balances	$ 4,438,897	$ 67,931	$ 24,814	$ 39,092	$ 104,840	$ 230,235	$ 980,636	$ 243,838	$ 849,726	$ 1,920,148

(Continued)

MARION COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
September 30, 2025

	Special Assessment Bonds, Series 2025A	Total Nonmajor Debt Service Funds
ASSETS		
Cash and Cash Equivalents	$ -	$ 4,238,233
Special Assessments Receivable	2,367,773	6,419,309
Due from Other Funds	-	5,198
Due from Other Governments	-	605,190
Total Assets	$ 2,367,773	$ 11,267,930
DEFERRED INFLOWS OF RESOURCES		
Deferred Assessments	$ 2,367,773	$ 6,419,309
Total Deferred Inflows of Resources	2,367,773	6,419,309
FUND BALANCES		
Restricted for:		
Debt Service Reserve	-	4,848,621
Total Fund Balances	-	4,848,621
Total Deferred Inflows of Resources, and Fund Balances	$ 2,367,773	$ 11,267,930

MARION COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
For the Year Ended September 30, 2025

	Public Improvement Transportation Debt Service	Special Assessment Bonds, Series 2014A	Special Assessment Bonds, Series 2015A	Special Assessment Bonds, Series 2016A	Special Assessment Bonds, Series 2017A	Special Assessment Bonds, Series 2019A	Special Assessment Bonds, Series 2021A	Special Assessment Bonds, Series 2022A	Special Assessment Bonds, Series 2024A	Special Assessment Bonds, Series 2024B	Total Nonmajor Debt Service Funds
REVENUES											
Taxes	$ 4,735,767	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,735,767
Special Assessments	-	-	25,868	70,064	169,278	92,664	203,418	48,684	136,909	220,011	966,896
Investment Income	-	362	117	2,527	3,566	2,430	4,204	1,912	1,803	3,986	20,907
Total Revenues	4,735,767	362	25,985	72,591	172,844	95,094	207,622	50,596	138,712	223,997	5,723,570
EXPENDITURES											
Debt Service:											
Principal Retirement	3,430,000	-	27,655	85,485	181,473	115,051	213,357	75,697	77,505	100,549	4,306,772
Interest and Fiscal Charges	493,798	-	772	1,753	7,663	9,456	16,730	9,137	20,875	45,535	605,719
Total Expenditures	3,923,798	-	28,427	87,238	189,136	124,507	230,087	84,834	98,380	146,084	4,912,491
Net Change in Fund Balances	811,969	362	(2,442)	(14,647)	(16,292)	(29,413)	(22,465)	(34,238)	40,332	77,913	811,079
Fund Balances - Beginning	3,626,928	67,569	27,256	53,739	62,521	50,800	71,529	52,218	5,269	19,713	4,037,542
Fund Balances - Ending	$ 4,438,897	$ 67,931	$ 24,814	$ 39,092	$ 46,229	$ 21,387	$ 49,064	$ 17,980	$ 45,601	$ 97,626	$ 4,848,621

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PUBLIC IMPROVEMENT TRANSPORTATION DEBT SERVICE
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 3,924,048	$ 4,735,767	$ 811,719
Total Revenues	3,924,048	4,735,767	811,719
EXPENDITURES			
Debt Service:			
Principal Retirement	3,430,000	3,430,000	-
Interest and Fiscal Charges	494,048	493,798	250
Miscellaneous	2,803,257	-	2,803,257
Total Expenditures	6,727,305	3,923,798	2,803,507
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,803,257)	811,969	3,615,226
Net Change in Fund Balance	(2,803,257)	811,969	3,615,226
Fund Balance - Beginning	2,803,257	3,626,928	823,671
Fund Balance - Ending	$ -	$ 4,438,897	$ 4,438,897

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2015A
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 20,982	$ 25,868	$ 4,886
Investment Income	48	117	69
Total Revenues	21,030	25,985	4,955
EXPENDITURES			
Debt Service:			
Principal Retirement	27,656	27,655	1
Interest and Fiscal Charges	772	772	-
Total Expenditures	28,428	28,427	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,398)	(2,442)	4,956
Net Change in Fund Balance	(7,398)	(2,442)	4,956
Fund Balance - Beginning	7,398	27,256	19,858
Fund Balance - Ending	$ -	$ 24,814	$ 24,814

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2016A
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 70,139	$ 70,064	$ (75)
Investment Income	2,450	2,527	77
Total Revenues	72,589	72,591	2
EXPENDITURES			
Debt Service:			
Principal Retirement	124,575	85,485	39,090
Interest and Fiscal Charges	1,753	1,753	-
Total Expenditures	126,328	87,238	39,090
Excess (Deficiency) of Revenues Over (Under) Expenditures	(53,739)	(14,647)	39,092
Net Change in Fund Balance	(53,739)	(14,647)	39,092
Fund Balance - Beginning	53,739	53,739	-
Fund Balance - Ending	$ -	$ 39,092	$ 39,092

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2017A
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 169,368	$ 169,278	$ (90)
Investment Income	3,476	3,566	90
Total Revenues	172,844	172,844	-
EXPENDITURES			
Debt Service:			
Principal Retirement	227,702	181,473	46,229
Interest and Fiscal Charges	7,663	7,663	-
Total Expenditures	235,365	189,136	46,229
Excess (Deficiency) of Revenues Over (Under) Expenditures	(62,521)	(16,292)	46,229
Net Change in Fund Balance	(62,521)	(16,292)	46,229
Fund Balance - Beginning	62,521	62,521	-
Fund Balance - Ending	$ -	$ 46,229	$ 46,229

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2019A
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 92,730	$ 92,664	$ (66)
Investment Income	2,364	2,430	66
Total Revenues	95,094	95,094	-
EXPENDITURES			
Debt Service:			
Principal Retirement	136,439	115,051	21,388
Interest and Fiscal Charges	9,456	9,456	-
Total Expenditures	145,895	124,507	21,388
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,801)	(29,413)	21,388
Net Change in Fund Balance	(50,801)	(29,413)	21,388
Fund Balance - Beginning	50,801	50,800	(1)
Fund Balance - Ending	$ -	$ 21,387	$ 21,387

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2021A
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 203,580	$ 203,418	$ (162)
Investment Income	4,042	4,204	162
Total Revenues	207,622	207,622	-
EXPENDITURES			
Debt Service:			
Principal Retirement	262,420	213,357	49,063
Interest and Fiscal Charges	16,731	16,730	1
Total Expenditures	279,151	230,087	49,064
Excess (Deficiency) of Revenues Over (Under) Expenditures	(71,529)	(22,465)	49,064
Net Change in Fund Balance	(71,529)	(22,465)	49,064
Fund Balance - Beginning	71,529	71,529	-
Fund Balance - Ending	$ -	$ 49,064	$ 49,064

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2022A
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 48,772	$ 48,684	$ (88)
Investment Income	1,824	1,912	88
Total Revenues	50,596	50,596	-
EXPENDITURES			
Debt Service:			
Principal Retirement	93,677	75,697	17,980
Interest and Fiscal Charges	9,138	9,137	1
Total Expenditures	102,815	84,834	17,981
Excess (Deficiency) of Revenues Over (Under) Expenditures	(52,219)	(34,238)	17,981
Net Change in Fund Balance	(52,219)	(34,238)	17,981
Fund Balance - Beginning	52,219	52,218	(1)
Fund Balance - Ending	$ -	$ 17,980	$ 17,980

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2024A
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 98,382	$ 136,909	$ 38,527
Investment Income	-	1,803	1,803
Total Revenues	98,382	138,712	40,330
EXPENDITURES			
Debt Service:			
Principal Retirement	77,506	77,505	1
Interest and Fiscal Charges	20,876	20,875	1
Total Expenditures	98,382	98,380	2
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	40,332	40,332
Net Change in Fund Balance	-	40,332	40,332
Fund Balance - Beginning	-	5,269	5,269
Fund Balance - Ending	$ -	$ 45,601	$ 45,601

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2024B
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 146,084	$ 220,011	$ 73,927
Investment Income	-	3,986	3,986
Total Revenues	146,084	223,997	77,913
EXPENDITURES			
Debt Service:			
Principal Retirement	100,549	100,549	-
Interest and Fiscal Charges	45,535	45,535	-
Total Expenditures	146,084	146,084	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	77,913	77,913
Net Change in Fund Balance	-	77,913	77,913
Fund Balance - Beginning	-	19,713	19,713
Fund Balance - Ending	$ -	$ 97,626	$ 97,626

MARION COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
September 30, 2025

	Parks Capital Projects Fund	Public Improvement Transportation Capital Projects	Special Assessment Bonds, Series 2024A	Special Assessment Bonds, Series 2024B	Special Assessment Bonds, Series 2025A	Special Assessment Bonds, Series 2026A	Total Nonmajor Capital Projects Funds
ASSETS							
Cash and Cash Equivalents	$ 32,665	$ 652,832	$ 106,740	$ 443,050	$ 188,501	$ -	$ 1,423,788
Due from Other Funds	-	-	-	-	-	26,591	26,591
Total Assets	$ 32,665	$ 652,832	$ 106,740	$ 443,050	$ 188,501	$ 26,591	$ 1,450,379
Liabilities							
Contracts Payable	$ 12,209	$ -	$ -	$ -	$ -	$ -	$ 12,209
Total Liabilities	12,209	-	-	-	-	-	12,209
FUND BALANCES							
Restricted for:							
Parks and Recreation	14,223	-	-	-	-	-	14,223
Road Construction	-	623,497	100,329	409,119	188,147	26,591	1,347,683
Assigned to:							
Parks and Recreation	6,233	-	-	-	-	-	6,233
Road Construction	-	29,335	6,411	33,931	354	-	70,031
Total Fund Balances	20,456	652,832	106,740	443,050	188,501	26,591	1,438,170
Total Liabilities and Fund Balances	$ 32,665	$ 652,832	$ 106,740	$ 443,050	$ 188,501	$ 26,591	$ 1,450,379

MARION COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2025

	Parks Capital Projects Fund	Public Improvement Transportation Capital Projects	Special Assessment Bonds, Series 2024A	Special Assessment Bonds, Series 2024B	Special Assessment Bonds, Series 2025A	Special Assessment Bonds, Series 2026A	Total Nonmajor Capital Projects Funds
REVENUES							
Special Assessments	$ -	$ -	$ -	$ -	$ 203,787	$ 26,591	$ 230,378
Investment Income	6,233	29,335	6,411	33,931	354	-	76,264
Total Revenues	6,233	29,335	6,411	33,931	204,141	26,591	306,642
EXPENDITURES							
Debt Service:							
Interest and Fiscal Charges	-	-	-	-	8,500	-	8,500
Capital Outlay	280,632	-	139,744	1,167,746	2,236,652	-	3,824,774
Total Expenditures	280,632	-	139,744	1,167,746	2,245,152	-	3,833,274
Excess (Deficiency) of Revenues Over (Under) Expenditures	(274,399)	29,335	(133,333)	(1,133,815)	(2,041,011)	26,591	(3,526,632)
OTHER FINANCING SOURCES (USES)							
Issuance of Notes/Bonds Payable	-	-	-	-	2,229,512	-	2,229,512
Total Other Financing Sources and (Uses)	-	-	-	-	2,229,512	-	2,229,512
Net Change in Fund Balances	(274,399)	29,335	(133,333)	(1,133,815)	188,501	26,591	(1,297,120)
Fund Balances - Beginning	294,855	623,497	240,073	1,576,865	-	-	2,735,290
Fund Balances - Ending	$ 20,456	$ 652,832	$ 106,740	$ 443,050	$ 188,501	$ 26,591	$ 1,438,170

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PARKS CAPITAL PROJECTS FUND
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ -	$ 6,233	$ 6,233
Total Revenues	-	6,233	6,233
EXPENDITURES			
Capital Outlay	294,525	280,632	13,893
Total Expenditures	294,525	280,632	13,893
Excess (Deficiency) of Revenues Over (Under) Expenditures	(294,525)	(274,399)	20,126
Net Change in Fund Balance	(294,525)	(274,399)	20,126
Fund Balance - Beginning	294,525	294,855	330
Fund Balance - Ending	$ -	$ 20,456	$ 20,456

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PUBLIC IMPROVEMENT TRANSPORTATION CAPITAL PROJECTS
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ -	$ 29,335	$ 29,335
Total Revenues	-	29,335	29,335
EXPENDITURES			
Capital Outlay	623,339	-	623,339
Total Expenditures	623,339	-	623,339
Excess (Deficiency) of Revenues Over (Under) Expenditures	(623,339)	29,335	652,674
Net Change in Fund Balance	(623,339)	29,335	652,674
Fund Balance - Beginning	623,339	623,497	158
Fund Balance - Ending	$ -	$ 652,832	$ 652,832

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2024A
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 395,352	$ -	$ (395,352)
Investment Income	-	6,411	6,411
Total Revenues	395,352	6,411	(388,941)
EXPENDITURES			
Capital Outlay	1,338,504	139,744	1,198,760
Total Expenditures	1,338,504	139,744	1,198,760
Excess (Deficiency) of Revenues Over (Under) Expenditures	(943,152)	(133,333)	809,819
OTHER FINANCING SOURCES (USES)			
Issuance of Notes/Bonds Payable	943,152	-	(943,152)
Total Other Financing Sources (Uses)	943,152	-	(943,152)
Net Change in Fund Balance	-	(133,333)	(133,333)
Fund Balance - Beginning	-	240,073	240,073
Fund Balance - Ending	$ -	$ 106,740	$ 106,740

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS, SERIES 2024B
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 386,241	$ -	$ (386,241)
Investment Income	-	33,931	33,931
Total Revenues	386,241	33,931	(352,310)
EXPENDITURES			
Capital Outlay	2,443,544	1,167,746	1,275,798
Total Expenditures	2,443,544	1,167,746	1,275,798
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,057,303)	(1,133,815)	923,488
OTHER FINANCING SOURCES (USES)			
Issuance of Notes/Bonds Payable	2,057,303	-	(2,057,303)
Total Other Financing Sources (Uses)	2,057,303	-	(2,057,303)
Net Change in Fund Balance	-	(1,133,815)	(1,133,815)
Fund Balance - Beginning	-	1,576,865	1,576,865
Fund Balance - Ending	$ -	$ 443,050	$ 443,050

MARION COUNTY, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT BONDS SERIES 2025A
For the Year Ended September 30, 2025

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Special Assessments	$ 203,788	$ 203,787	$ (1)
Investment Income	354	354	-
Total Revenues	204,142	204,141	(1)
EXPENDITURES			
Debt Service:			
Interest and Fiscal Charges	8,500	8,500	-
Capital Outlay	2,425,155	2,236,652	188,503
Total Expenditures	2,433,655	2,245,152	188,503
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,229,513)	(2,041,011)	188,502
OTHER FINANCING SOURCES (USES)			
Issuance of Notes/Bonds Payable	2,229,513	2,229,512	(1)
Total Other Financing Sources (Uses)	2,229,513	2,229,512	(1)
Net Change in Fund Balance	-	188,501	188,501
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ 188,501	$ 188,501

FIDUCIARY FUNDS

CUSTODIAL FUNDS

Custodial funds are used to account for assets held by the County as a fiduciary for individuals, private organizations, and other governments.

Clerk of the Circuit Court and Comptroller
Used to account for resources received and held by the Clerk in a custodial capacity. These resources represent fines, forfeitures, and filing fees collected for other governmental agencies and support payments, jury and witness services, and posted bonds collected for individuals.

Sheriff
Used to account for the assets held by the Sheriff for individuals such as prisoner's funds, confiscated monies held as evidence, and prepayments of the Sheriff's fees for serving papers.

Tax Collector
Used to account for property taxes, tourism taxes and fees for licenses.

MARION COUNTY, FLORIDA
COMBIING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
As of September 30, 2025

	Sheriff	Clerk of the Circuit Court	Tax Collector	Total Funds
ASSETS				
Cash and Cash Equivalents	$ 812,682	$ 18,126,733	$ 10,646,732	$ 29,586,147
Accounts Receivable	-	15,392	491,075	506,467
Due From Individuals	-	-	77,009	77,009
Due From Other Governments	-	4,893	1,161,887	1,166,780
Total Assets	812,682	18,147,018	12,376,703	31,336,403
LIABILITIES				
Accounts Payable	-	5,378	-	5,378
Due to Other Governments	36,081	2,480,096	901,897	3,418,074
Due to Individuals	80	10,585	-	10,665
Total Liabilities	36,161	2,496,059	901,897	3,434,117
NET POSITION				
Restricted for Individuals, Organizations and Other Governments	$ 776,521	$ 15,650,959	$ 11,474,806	$ 27,902,286

MARION COUNTY, FLORIDA
COMBIING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2025

	Sheriff	Clerk of the Circuit Court	Tax Collector	Total Funds
ADDITIONS				
Amounts Collected for Fines and Fees	$ -	$ 60,985,702	$ -	$ 60,985,702
Amounts Collected for Courts	-	17,218,131	-	17,218,131
Amounts Collected for Tax Deed and Foreclosure Sales	-	21,433,158	-	21,433,158
Property Taxes and Fees Collected for Governments	-	-	326,626,824	326,626,824
Property Taxes and Fees Collected for Individuals	-	-	37,004,922	37,004,922
Tourist Development Taxes Collected	-	-	-	-
License and Tag Fees Collected	-	-	47,851,049	47,851,049
Individual Contributions	2,864,908	-	-	2,864,908
Other Taxes and Fees Collected	702	-	-	702
Total Additions	2,865,610	99,636,991	411,482,795	513,985,396
DEDUCTIONS				
Payments to Other Governments	64,081	60,794,345	-	60,858,426
Payments to Other Funds	1,775,907	48,175	-	1,824,082
Property Taxes and Fees Distributed	-	-	326,552,497	326,552,497
Tourist Development Taxes Distributed	-	-	14,546	14,546
License and Tag Fees Distributed	-	-	47,914,590	47,914,590
Payments to Other Entities	-	-	-	-
Payments to Individuals	922,049	37,600,430	36,296,836	74,819,315
Total Deductions	2,762,037	98,442,950	410,778,469	511,983,456
Change in Fiduciary Net Position	103,573	1,194,041	704,326	2,001,940
NET POSITION - BEGINNING OF YEAR	672,948	14,456,918	10,770,480	25,900,346
NET POSITION - ENDING	$ 776,521	$ 15,650,959	$ 11,474,806	$ 27,902,286

STATISTICAL SECTION

This part of Marion County, Florida's annual comprehensive 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 County's overall financial health.

Financial Trends
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

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

Schedule 1
Marion County, Florida

NET POSITION BY COMPONENT
(accrual basis of accounting)

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment in Capital Assets	$ 1,337,513,605	$ 1,331,043,338	$ 1,339,304,810	$ 1,352,811,222	$ 1,380,314,616	$ 1,381,483,048	$ 1,379,235,667	$ 1,429,502,959	$ 1,531,169,985	$ 1,594,723,004
Restricted	109,410,519	142,505,391	173,208,945	191,834,430	207,390,748	260,529,971	318,406,345	364,238,711	366,479,463	418,796,488
Unrestricted	(103,709,485)	(116,379,649)	(136,272,496)	(158,027,570)	(162,737,919)	(134,629,577)	(115,139,982)	(131,135,038)	(124,892,791)	(115,625,866)
Total governmental activities net position	$ 1,343,214,639	$ 1,357,169,080	$ 1,376,241,259	$ 1,386,618,082	$ 1,424,967,445	$ 1,507,383,442	$ 1,582,502,030	$ 1,662,606,632	$ 1,772,756,657	$ 1,897,893,626
Business-Type Activities										
Net Investment in Capital Assets	$ 56,876,287	$ 54,486,340	$ 55,857,230	$ 64,908,305	$ 87,738,136	$ 109,221,422	$ 117,284,624	$ 129,350,023	$ 154,582,871	$ 185,267,790
Restricted	6,257,740	6,186,757	6,285,021	6,324,003	6,494,009	1,462,737	1,501,572	1,683,304	2,149,645	2,244,748
Unrestricted	76,262,717	81,603,889	63,537,272	89,400,586	87,315,324	94,695,666	104,622,293	113,251,227	128,658,946	144,193,516
Total business-type activities net position	$ 139,396,744	$ 142,276,986	$ 125,679,523	$ 160,632,894	$ 181,547,469	$ 205,379,825	$ 223,408,489	$ 244,284,554	$ 285,391,462	$ 331,706,054
Primary Government										
Net Investment in Capital Assets	$ 1,394,389,892	$ 1,385,529,678	$ 1,395,162,040	$ 1,417,719,527	$ 1,468,052,752	$ 1,490,704,470	$ 1,496,520,291	$ 1,558,852,982	$ 1,685,752,856	$ 1,779,990,794
Restricted	115,668,259	148,692,148	179,493,966	198,158,433	213,884,757	261,992,708	319,907,917	365,922,015	368,629,108	421,041,236
Unrestricted	(27,446,768)	(34,775,760)	(72,735,224)	(68,626,984)	(75,422,595)	(39,933,911)	(10,517,689)	(17,883,811)	3,766,155	28,567,650
Total primary government net position	$ 1,482,611,383	$ 1,499,446,066	$ 1,501,920,782	$ 1,547,250,976	$ 1,606,514,914	$ 1,712,763,267	$ 1,805,910,519	$ 1,906,891,186	$ 2,058,148,119	$ 2,229,599,680

Note 1: Prior to 2018, amounts have not been restated for the implementation of GASB 75.

Continued next page

Schedule 2
Marion County, Florida

CHANGES IN NET POSITION
(accrual basis of accounting)

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	$ 45,740,805	$ 48,773,464	$ 54,138,021	$ 55,074,262	$ 56,898,410	$ 82,886,030	$ 61,345,749	$ 71,823,230	$ 74,643,254	$ 80,357,521
Public safety	147,295,279	157,169,472	171,852,609	203,381,166	224,656,435	200,266,032	226,504,202	287,058,012	309,247,283	330,462,839
Physical environment	2,944,110	3,197,065	3,174,319	3,259,562	5,870,948	3,120,595	6,643,367	3,299,432	9,318,883	6,563,142
Transportation	40,001,023	39,993,337	41,144,925	43,859,136	47,470,597	30,074,510	53,553,445	49,959,692	56,292,120	58,098,850
Economic environment	3,552,441	3,781,210	6,529,365	5,967,018	5,897,267	5,592,458	5,783,894	7,091,775	11,161,894	10,291,318
Human services	14,615,146	15,742,555	15,657,968	17,808,708	18,969,485	28,086,040	55,926,915	30,757,920	62,283,699	45,805,209
Culture/Recreation	12,195,761	12,480,560	13,231,765	14,161,427	14,333,591	18,638,401	15,227,306	18,905,281	19,844,771	19,986,866
Court related	9,876,310	9,928,352	10,553,606	11,596,497	13,218,124	15,876,781	12,579,911	16,235,333	13,903,691	13,212,674
Interest on long-term debt	2,042,111	1,886,034	1,870,171	1,701,975	1,501,366	1,161,416	1,149,702	1,181,644	1,152,972	1,344,270
Total governmental activities expenses	$ 278,262,986	$ 292,952,049	$ 318,152,749	$ 356,809,751	$ 388,816,223	$ 385,702,263	$ 438,714,491	$ 486,312,319	$ 557,848,567	$ 566,122,689
Business-type activities:										
Solid waste	3,957,889	$ 14,783,496	$ 38,669,727	$ 15,996,730	$ 15,380,327	$ 19,632,592	$ 19,635,813	$ 28,056,497	$ 21,746,983	$ 26,167,289
Waste and wastewater	24,632,788	27,036,467	25,112,382	26,100,297	27,441,498	28,922,402	32,084,512	36,757,924	39,818,534	41,485,619
Total business-type activities expenses	$ 28,590,677	$ 41,819,963	$ 63,782,109	$ 42,097,027	$ 42,821,825	$ 48,554,994	$ 51,720,325	$ 64,814,421	$ 61,565,517	$ 67,652,908
Total primary government expenses	$ 306,853,663	$ 334,772,012	$ 381,934,858	$ 398,906,778	$ 431,638,048	$ 434,257,257	$ 490,434,816	$ 551,126,740	$ 619,414,084	$ 633,775,597
Program Revenues										
Governmental activities:										
Charges for services										
General government	$ 9,403,817	$ 9,818,745	$ 10,198,383	$ 10,798,574	$ 12,165,556	$ 14,831,876	$ 14,647,277	$ 15,014,272	$ 16,123,716	$ 18,898,908
Public safety	52,977,793	52,929,908	61,079,855	65,673,103	71,296,362	73,381,991	82,045,795	79,500,625	93,915,961	99,360,894
Physical environment	3,704,041	3,742,106	3,842,382	3,817,438	3,978,150	4,266,386	4,351,599	4,376,736	5,810,534	5,364,043
Transportation	3,490,136	4,019,687	4,087,892	4,479,923	4,684,771	4,896,285	5,527,710	6,148,466	5,838,823	5,952,602
Economic environment	243,710	739,293	950,317	1,978,690	1,008,260	1,362,370	2,057,207	1,164,234	754,069	1,355,590
Human services	719,304	814,633	652,991	497,084	510,233	537,953	30,731,454	13,446,401	36,051,752	16,901,954
Culture/Recreation	1,810,143	1,772,527	1,944,733	2,106,020	708,088	808,779	703,636	664,080	698,500	755,460
Court related	7,411,956	7,065,377	7,281,852	8,113,463	7,250,224	8,438,123	8,812,486	9,310,311	10,323,199	12,093,690
Total Charges for services	79,760,900	80,902,276	90,038,405	97,464,295	101,601,644	108,523,763	148,877,164	129,625,125	169,516,554	160,683,141
Operating grants and contributions	6,721,007	6,235,120	6,749,282	12,017,226	45,309,258	53,643,685	24,050,438	27,990,193	41,724,994	21,776,339
Capital grants and contributions	18,830,824	22,027,841	16,407,735	14,230,992	16,664,827	17,413,189	16,498,443	17,997,461	25,968,864	48,793,030
Total governmental activities program revenues	$ 105,312,731	$ 109,165,237	$ 113,195,422	$ 123,712,513	$ 163,575,729	$ 179,580,637	$ 189,426,045	$ 175,612,779	$ 237,210,412	$ 231,252,510
Business-type activities:										
Charges for services										
Solid Waste	$ 14,241,600	$ 14,754,895	$ 15,186,255	$ 14,581,189	$ 15,146,717	$ 16,605,313	$ 17,234,866	$ 17,882,404	$ 19,509,650	$ 20,891,613
Water and Waste Water	23,684,699	25,088,743	24,419,606	25,157,551	26,022,822	27,226,404	32,126,234	32,682,414	34,780,939	37,708,265
Operating grants and contributions	131,727	123,244	529,329	23,016,156	1,420,862	1,087,129	660,586	803,227	2,887,476	11,729,665
Capital grants and contributions	3,917,012	2,026,642	4,200,998	8,752,974	16,284,064	23,991,419	18,914,819	24,406,909	33,263,132	33,278,770
Total business-type activities program revenues	$ 41,975,038	$ 41,993,524	$ 44,336,188	$ 71,507,870	$ 58,874,465	$ 68,910,265	$ 68,936,505	$ 75,774,954	$ 90,441,197	$ 103,608,313
Total primary government program revenues	$ 147,287,769	$ 151,158,761	$ 157,531,610	$ 195,220,383	$ 222,450,194	$ 248,490,902	$ 258,362,550	$ 251,387,733	$ 327,651,609	$ 334,860,823
Net (Expense) / Revenue										
Governmental activities	$ (172,950,255)	$ (183,786,812)	$ (204,957,327)	$ (233,097,238)	$ (225,240,494)	$ (206,121,626)	$ (249,288,446)	$ (310,699,540)	$ (320,638,155)	$ (334,870,179)
Business-type activities	13,384,361	173,561	(19,445,921)	29,410,843	16,052,640	20,355,271	17,216,180	10,960,533	28,875,680	35,955,405
Total primary government net expense	$ (159,565,894)	$ (183,613,251)	$ (224,403,248)	$ (203,686,395)	$ (209,187,854)	$ (185,766,355)	$ (232,072,266)	$ (299,739,007)	$ (291,762,475)	$ (298,914,774)

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Schedule 2
Marion County, Florida

CHANGES IN NET POSITION, continued
(accrual basis of accounting)

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property tax	$ 101,798,214	$ 106,158,714	$ 114,266,376	$ 124,312,659	$ 145,494,422	$ 156,778,555	$ 171,357,939	$ 197,052,745	$ 230,730,633	$ 263,739,138
Sales tax	20,563,787	21,329,279	22,652,641	23,618,331	25,570,607	30,613,208	35,019,030	36,418,985	36,218,896	37,098,834
Infrastructure surtax	-	25,710,753	40,791,199	42,537,298	44,270,008	52,561,047	62,671,513	65,962,613	69,273,957	71,247,707
Public service tax	2,574,825	2,677,954	2,309,221	2,056,707	2,047,902	2,074,101	2,083,779	2,153,733	2,098,990	2,229,373
Gas tax	24,484,692	25,224,690	25,582,912	26,613,704	25,304,256	27,011,399	27,897,882	28,405,729	26,499,809	27,522,669
Unrestricted state revenue sharing	8,415,045	8,810,365	9,255,130	9,717,656	9,061,156	10,817,737	14,090,227	15,150,550	14,577,556	15,104,407
Tourist Development Tax	2,429,663	2,800,048	3,061,863	2,994,847	2,646,744	3,676,448	4,842,624	5,369,236	5,481,507	6,160,912
Other Taxes	904,077	931,243	960,324	977,734	972,607	1,007,449	1,065,523	1,109,829	1,063,806	1,045,253
Unrestricted intergovernmental revenues	578,168	418,778	502,732	594,649	741,953	866,371	2,945,313	3,032,989	3,155,210	3,311,549
Investment income	1,614,539	1,912,301	3,528,160	8,174,660	5,636,459	938,282	(122,582)	27,485,035	35,549,911	30,322,251
Miscellaneous revenues	4,982,687	2,119,641	1,828,389	1,854,169	1,822,096	2,190,819	2,534,139	5,872,545	6,152,780	4,585,070
Transfers in (out)	(481,201)	(352,513)	(330,866)	21,647	21,647	2,207	21,647		(14,875)	-
Total governmental activities	$ 167,864,496	$ 197,741,253	$ 224,408,081	$ 243,474,061	$ 263,589,857	$ 288,537,623	$ 324,407,034	$ 388,013,989	$ 430,788,180	$ 462,367,163
Business-type activities:										
Investment income	$ 977,555	$ 808,329	$ 630,562	$ 3,263,895	$ 2,537,961	$ 233,327	$ (2,073,170)	$ 5,825,299	$ 9,086,072	$ 7,124,362
Miscellaneous revenues	1,548,980	1,398,310	1,709,116	2,291,414	2,333,923	2,724,703	2,863,599	3,997,814	3,100,322	3,613,518
Gain on sale of capital assets	281,428	147,529	87,143	8,866	11,698	521,262	43,702	92,419	29,959	116,514
Transfers in (out)	481,201	352,513	330,866	(21,647)	(21,647)	(2,207)	(21,647)	-	14,875	-
Total business-type activities	$ 3,289,164	$ 2,706,681	$ 2,757,687	$ 5,542,528	$ 4,861,935	$ 3,477,085	$ 812,484	$ 9,915,532	$ 12,231,228	$ 10,854,394
Total primary government	$ 171,153,660	$ 200,447,934	$ 227,165,768	$ 249,016,589	$ 268,451,792	$ 292,014,708	$ 325,219,518	$ 397,929,521	$ 443,019,408	$ 473,221,557
Change in Net Position										
Governmental activities	$ (5,085,759)	$ 13,954,441	$ 19,450,754	$ 10,376,823	$ 38,349,363	$ 82,415,997	$ 75,118,588	$ 77,314,449	$ 110,150,025	$ 127,496,984
Business-type activities	16,673,525	2,880,242	(16,688,234)	34,953,371	20,914,575	23,832,356	18,028,664	20,876,065	41,106,908	46,809,799
Total primary government	$ 11,587,766	$ 16,834,683	$ 2,762,520	$ 45,330,194	$ 59,263,938	$ 106,248,353	$ 93,147,252	$ 98,190,514	$ 151,256,933	$ 174,306,783

Note 1: Prior to 2018, amounts have not been restated for the implementation of GASB 75.

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Schedule 3
Marion County, Florida

FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	1,093,792	1,339,387	1,578,061	1,432,590	1,344,722	1,869,005	1,899,120	2,180,160	2,285,304	2,338,691
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	12,973,053	15,054,838	14,449,112	16,530,654	17,987,229	38,931,200	50,069,174	76,884,644	77,693,638	78,022,431
Unassigned	14,847,034	14,737,338	16,386,445	15,352,934	21,145,591	35,390,147	42,617,674	29,928,488	35,197,011	30,797,010
Total general fund	$ 28,913,879	$ 31,131,563	$ 32,413,618	$ 33,316,178	$ 40,477,542	$ 76,190,352	$ 94,585,968	$ 108,993,292	$ 115,175,953	$ 111,158,132
All Other Governmental Funds										
Nonspendable	1,176,174	4,304,091	2,137,995	4,413,703	2,246,842	5,238,187	5,327,451	2,666,831	4,351,217	7,389,788
Restricted	101,394,858	131,421,516	166,046,818	183,576,601	202,336,634	252,076,914	310,013,664	359,327,681	358,586,761	405,276,335
Committed	3,615,526	3,519,121	2,693,691	3,177,238	3,540,041	3,915,182	3,558,218	4,120,660	4,613,034	3,169,060
Assigned	629,812	357,419	1,130,250	2,473,201	1,436,829	279,415	895,175	12,774,908	19,134,312	20,353,064
Unassigned	-	-	-	-	-	-	(60,076)	-	-	-
Total all other governmental funds	$ 106,816,370	$ 139,602,147	$ 172,008,754	$ 193,640,743	$ 209,560,346	$ 261,509,698	$ 319,734,432	$ 378,890,080	$ 386,685,324	$ 436,188,247
Total Fund Balance	$ 135,730,249	$ 170,733,710	$ 204,422,372	$ 226,956,921	$ 250,037,888	$ 337,700,050	$ 414,320,400	$ 487,883,372	$ 501,861,277	$ 547,346,379

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Schedule 4
Marion County, Florida

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

Last Ten Fiscal Years

	2016	2017	2018	2019
Revenues				
Taxes	$ 131,390,862	$ 162,649,284	$ 186,060,242	$ 198,578,970
Special Assessments	36,404,470	38,075,562	40,429,370	40,833,179
Impact Fees	14,745	541,334	3,162,053	4,811,280
Permits and Fees	3,790,534	4,040,087	5,450,134	6,527,532
Intergovernmental Revenues	48,693,915	51,341,555	45,625,000	48,645,574
Charges for Services	32,093,531	34,339,034	36,995,993	40,461,097
Judgments and Fines	2,731,517	2,616,531	2,899,160	2,609,305
Court-Related Revenues	6,286,526	5,770,112	5,763,763	6,540,551
Investment Income	1,402,160	1,794,424	3,451,499	7,626,684
Miscellaneous Revenues	7,630,516	5,644,764	5,728,641	7,355,254
Total Revenues	$ 270,438,776	$ 306,812,687	$ 335,565,855	$ 363,989,426
Expenditures				
General Government	$ 34,947,481	$ 36,528,709	$ 39,255,486	$ 42,294,404
Public Safety	139,527,796	143,890,445	158,516,227	173,948,564
Physical Environment	4,336,366	5,592,206	5,340,800	5,504,517
Transportation	31,850,833	31,542,700	24,315,919	33,731,020
Economic Environment	3,559,731	3,777,562	6,369,867	5,943,350
Human Services	14,436,257	15,470,976	15,387,593	18,045,110
Culture/Recreation	12,064,367	12,217,928	12,609,317	12,331,470
Court Related	9,637,088	9,684,055	11,401,166	11,872,883
Debt Service:				
Principal Retirement	5,494,252	5,911,897	7,184,338	5,010,648
Interest and Fiscal Charges	1,769,508	1,608,690	1,588,571	1,421,021
Bond Issuance Cost	199,723	-	-	-
Arbitrage Rebate Expense	-	-	-	-
Payments to State	-	-	-	-
Capital Outlay	13,058,123	15,648,397	20,222,093	32,275,979
Total Expenditures	$ 270,881,525	$ 281,873,565	$ 302,191,377	$ 342,378,966
Excess of Revenues Over (Under) Expenditures	$ (442,749)	$ 24,939,122	$ 33,374,478	$ 21,610,460
Other Financing Sources (Uses)				
Transfers In	$ 47,084,764	$ 50,580,834	$ 55,529,135	$ 59,909,704
Transfers (Out)	(47,565,965)	(50,933,347)	(55,856,490)	(59,885,491)
Issuance of Notes/Bonds Payable	34,722,677	2,722,225	-	899,876
Premium(Discount)Notes/Bonds	-	-	-	-
Pmt to Refunded Bond Escrow	(36,148,633)	-	-	-
Issuance of Lease and SBITA	-	7,694,627	641,539	-
Total Other Financing Sources (Uses)	$ (1,907,157)	$ 10,064,339	$ 314,184	$ 924,089
Net Change in Fund Balances	$ (2,349,906)	$ 35,003,461	$ 33,688,662	$ 22,534,549
Debt Service as a Percentage of Non-Capital Expenditures	3.2%	3.2%	3.4%	2.3%

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	2020	2021	2022	2023	2024	2025
Revenues						
Taxes	$ 219,825,842	$ 240,008,210	$ 268,894,967	$ 298,986,966	$ 334,131,936	$ 370,938,144
Special Assessments	42,393,983	43,805,949	75,276,110	58,726,824	84,348,567	66,014,584
Impact Fees	4,476,634	6,651,154	9,353,420	9,755,843	13,456,183	17,960,646
Permits and Fees	8,559,765	7,979,354	7,791,668	4,584,899	12,269,249	12,317,454
Intergovernmental Revenues	62,781,460	128,123,800	77,721,303	85,466,091	97,154,617	98,740,916
Charges for Services	43,522,944	50,071,239	54,743,828	58,517,958	63,436,788	69,134,941
Judgments and Fines	2,672,949	3,037,999	2,985,092	3,000,970	2,889,173	3,047,631
Court-Related Revenues	5,434,460	6,128,184	6,448,328	7,127,922	7,802,783	9,384,335
Investment Income	5,164,043	891,988	322,085	26,255,310	35,549,912	28,927,589
Miscellaneous Revenues	6,530,019	7,383,792	9,600,586	12,315,394	10,871,295	11,417,827
Total Revenues	$ 401,362,099	$ 494,081,669	$ 513,137,387	$ 564,738,177	$ 661,910,503	$ 687,884,067
Expenditures						
General Government	$ 47,057,959	$ 81,226,887	$ 49,914,616	$ 59,491,879	$ 63,506,380	$ 67,220,398
Public Safety	185,686,569	205,713,629	216,351,091	257,433,195	306,982,036	334,394,288
Physical Environment	4,342,882	5,154,588	6,087,998	16,005,443	24,729,503	24,979,148
Transportation	40,726,059	30,686,430	36,215,440	41,579,771	52,614,869	46,524,186
Economic Environment	5,966,014	5,828,761	5,926,614	7,442,954	16,622,949	14,065,765
Human Services	19,095,345	27,362,935	55,596,800	29,785,655	62,216,375	46,204,376
Culture/Recreation	12,589,350	12,386,313	14,953,939	18,682,151	20,493,960	30,732,126
Court Related	13,029,862	13,116,460	13,475,448	14,330,227	13,791,650	19,087,140
Debt Service:				-		
Principal Retirement	11,366,834	4,384,055	5,483,291	8,134,962	7,713,696	7,460,100
Interest and Fiscal Charges	1,253,602	986,179	960,240	876,626	896,440	1,114,466
Bond Issuance Cost	-	-	-	-	-	-
Arbitrage Rebate Expense	-	-	-	-	-	-
Payments to State	-	-	-	-	-	-
Capital Outlay	37,737,678	20,204,858	30,565,288	43,090,184	91,234,510	56,097,571
Total Expenditures	$ 378,852,154	$ 407,051,095	$ 435,530,765	$ 496,853,047	$ 660,802,368	$ 647,879,564
Excess of Revenues Over (Under) Expenditures	$ 22,509,945	$ 87,030,574	$ 77,606,622	$ 67,885,130	$ 1,108,135	$ 40,004,503
Other Financing Sources (Uses)						
Transfers In	$ 64,622,147	$ 72,218,651	$ 74,796,085	$ 89,114,049	$ 103,968,413	$ 120,081,150
Transfers (Out)	(64,596,989)	(74,614,683)	(76,524,367)	(89,139,662)	(104,093,081)	(120,181,520)
Issuance of Notes/Bonds Payable	-	1,791,561	418,977	-	3,000,455	3,840,633
Premium(Discount)Notes/Bonds	-	-	-	-	-	-
Pmt to Refunded Bond Escrow	-	-	-	-	-	-
Issuance of Lease and SBITA	545,864	1,236,059	323,033	2,913,302	9,993,983	1,740,336
Total Other Financing Sources (Uses)	$ 571,022	$ 631,588	$ (986,272)	$ 2,887,689	$ 12,869,770	$ 5,480,599
Net Change in Fund Balances	$ 23,080,967	$ 87,662,162	$ 76,620,350	$ 70,772,819	$ 13,977,905	$ 45,485,102
Debt Service as a Percentage of Non-Capital Expenditures	4.1%	1.5%	1.7%	2.4%	1.8%	1.7%

Schedule 5
Marion County, Florida

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

	Real Property													
Fiscal Year	Commercial Property	Industrial Property	Residential Property	Other Property	Total Real Property	Personal Property	Centrally Assessed Property (1)	Total	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Actual Taxable Value	Assessed Value as a Percentage of Actual Value (2)
2016	2,399,518,588	656,544,413	13,565,382,174	6,325,204,311	22,946,649,486	1,515,661,515	20,342,991	24,482,653,992	9,516,991,825	14,965,662,167	3.90	15,887,114,827	94.20%
2017	2,495,097,775	664,873,767	14,658,009,047	6,666,930,854	24,484,911,443	1,516,452,408	21,820,066	26,023,183,917	10,414,753,885	15,608,430,032	3.89	16,499,397,497	94.60%
2018	2,598,668,592	729,127,270	15,497,527,947	6,796,520,780	25,621,844,589	1,619,744,735	22,705,975	27,264,295,299	10,754,784,398	16,509,521,901	4.02	17,544,656,643	94.10%
2019	2,766,546,981	775,834,691	16,790,586,889	7,118,431,359	27,451,399,920	1,767,960,000	24,223,011	29,243,582,931	11,639,428,418	17,604,154,513	3.98	18,530,688,961	95.00%
2020	2,950,454,993	892,503,845	18,397,106,629	7,402,190,325	29,642,255,792	1,855,737,335	22,087,858	31,520,080,985	12,675,380,478	18,844,700,507	4.42	20,284,930,578	92.90%
2021	3,111,765,226	975,436,759	19,834,761,598	7,858,042,024	31,780,005,607	2,014,416,546	25,891,069	33,820,313,222	13,511,498,502	20,308,814,720	4.42	21,790,573,734	93.20%
2022	3,170,424,755	1,087,086,386	22,877,537,344	8,306,491,625	35,441,540,110	2,106,489,927	28,519,034	37,576,549,071	15,529,854,479	22,046,694,592	4.42	23,429,005,943	94.10%
2023	3,543,031,282	1,286,905,500	30,679,740,597	9,953,556,772	45,463,234,151	2,288,819,597	30,489,378	47,782,543,126	22,118,434,320	25,664,108,806	4.29	27,865,481,874	92.10%
2024	3,992,338,331	1,534,678,124	36,991,505,346	11,490,832,289	54,009,354,090	2,639,019,565	28,724,468	56,677,098,123	26,766,652,111	29,910,446,012	4.29	31,156,714,596	96.00%
2025	4,145,941,954	1,803,365,793	40,331,545,582	12,699,849,462	58,980,702,791	2,801,733,095	29,269,418	61,811,705,304	27,815,100,652	33,996,604,652	4.29	35,084,215,327	96.90%

Source: Marion County Property Appraiser.

Notes: Property is reassessed each year by the Marion County Property Appraiser. Property is assessed at approximately 100% of actual taxable value. Tax rates are per $1,000 of assessed valuation.

(1) Centrally assessed property consists of railroad and telegraph systems which are assessed by the State of Florida.
(2) Source is the State of Florida, Department of Revenue, Division of Ad Valorem Tax.

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Schedule 6
Marion County, Florida

DIRECT AND OVERLAPPING PROPERTY TAX RATES (1)(2)

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Board of County Commissioners:										
General Fund	3.1900	3.1900	3.3300	3.3300	3.4500	3.4500	3.4500	3.3500	3.3500	3.3500
Fine and Forfeiture Fund	0.5300	0.5300	0.5300	0.5300	0.8500	0.8500	0.8500	0.8300	0.8300	0.8300
Marion County Health Department Fund	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1100	0.1100	0.1100
Parks and Land Acquisition Debt Service Fund	0.0600	0.0500	0.0400	-	-	-	-	-	-	-
Total General County	3.9000	3.8900	4.0200	3.9800	4.4200	4.4200	4.4200	4.2900	4.2900	4.2900
District School System:										
I Local Required Effort	4.9240	4.6540	4.3120	4.0710	3.9360	3.7700	3.6550	3.2570	3.1910	3.0750
II Local Discretionary Use	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480
III Building Fund	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
V Additional Voted Millage	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Total School System	8.1720	7.9020	7.5600	7.3190	7.1840	7.0180	6.9030	6.5050	6.4390	6.3230
Total County-Wide	12.0720	11.7920	11.5800	11.2990	11.6040	11.4380	11.3230	10.7950	10.7290	10.6130
Special Districts:										
Rainbow Lakes Estates MSD(3)	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	1.2500	1.2500
MSTU for Law Enforcement(4)	3.4700	3.4700	3.4700	3.7200	3.7200	3.7200	3.7200	3.7200	3.7200	3.7200
Silver Springs Shores Special Tax District	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
MSTU-Emergency Medical Service(4)	0.7700	0.7700	0.7700	0.7700	1.1100	1.1100	1.1100	1.1100	1.1100	1.1100
Rainbow Lakes Estates CRF MSBU (5)	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.8500	0.8500
Marion Oaks MSTU for Fire Protection(4)	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200
Hills of Ocala MSTU for Recreation(4)	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800

Notes: (1) Marion County Property Appraiser (Primary Millage Rates).
(2) Rates are stated as an amount per $1,000 of assessed value.
(3) MSD is an acronym for Municipal Service District.
(4) MSTU is an acronym for Municipal Service Taxing Unit.
(5) MSBU is an acronym for Municipal Service Benefit Unit.

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Schedule 6
Marion County, Florida

DIRECT AND OVERLAPPING PROPERTY TAX RATES (1)(2) (CONTINUED)

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Southwest Florida Water Management District:										
District Levy	0.3488	0.3417	0.3131	0.2955	0.2801	0.2669	0.2535	0.2260	0.2043	0.1908
St. Johns River Water Management District:										
District Levy	0.3023	0.2885	0.2724	0.2562	0.2414	0.2287	0.2189	0.1974	0.1793	0.1793
Municipalities:										
Ocala	6.6177	6.6177	6.6177	6.6177	6.6177	6.6177	6.6177	6.6177	6.6177	6.6177
Ocala (Downtown Development District "A")	1.4966	1.7185	1.7185	1.7185	1.7185	1.7185	1.7185	1.7185	1.7185	1.7185
Ocala (Downtown Development District "B")	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332
Ocala (Downtown Development District "C")	1.2825	1.5091	1.5091	1.5091	1.4699	1.4699	1.4699	1.4699	1.4699	1.4699
Belleview	4.5000	4.5000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000
Dunnellon	7.5000	7.5000	6.5000	6.5000	6.5000	6.5000	6.5000	6.3000	5.6933	5.3557
McIntosh	2.3175	2.2078	2.2078	2.2078	2.2078	2.1107	2.5000	2.2903	2.1187	1.9909

Notes: The County's basic property tax rate may be increased only by a majority vote of the County's residents.
Rates for debt service are set based on each year's requirements.
(1) Marion County Property Appraiser (Primary Millage Rates).
(2) Rates are stated as an amount per $1,000 of assessed value.

Continued next page

Schedule 7
Marion County, Florida

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2025 (a) Taxable Value	Percent of Total Taxable Value	Rank	Fiscal Year 2016 (b) Taxable Value	Percent of Total Taxable Value	Rank
Duke Energy	$ 307,159,724	0.90 %	1	$ 195,056,475	1.30 %	1
Sumter Electric Coop, Inc.	193,925,824	0.57 %	2	117,000,942	0.78 %	2
Marion Community Hospital	183,239,551	0.54 %	3	54,128,440	0.36 %	6
Equestrian Operations LLC	167,931,539	0.49 %	4			
Sabal Trail Transmission LLC	128,262,844	0.38 %	5			
FedEx Ground Package	116,668,458	0.34 %	6			
On Top of the World	116,161,924	0.34 %	7	40,099,549	0.27 %	9
Cardinal LG Company	109,620,056	0.32 %	8			
TL IP Ocala Industrial Owner	92,360,907	0.27 %	9			
Wal-Mart	89,544,627	0.26 %	10	74,464,289	0.50 %	4
Marion County Hospital Dist.				107,198,876	0.72 %	3
Embarq				64,161,277	0.43 %	5
K-Mart Distribution				52,199,564	0.35 %	7
Paddock Mall Associates				41,414,762	0.28 %	8
Clay Electric				32,449,793	0.22 %	10
Sub-total	$ 1,504,875,454	4.43 %		$ 778,173,967	5.20 %	
All others	$ 32,491,729,198	95.57 %		$ 14,187,488,200	94.80 %	
Totals	$ 33,996,604,652	100.00 %		$ 14,965,662,167	100.00 %	

Source: Marion County Property Appraiser.

Notes: (a) The fiscal year ended September 30, 2025 tax levy is based on the 2024 taxable value.
(b) The fiscal year ended September 30, 2016 tax levy is based on the 2015 taxable value.

Schedule 8
Marion County, Florida

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections as a Percent of Current Levy
2016	104,950,636	100,844,671	96.1 %	953,543	101,798,214	97.0 %
2017	109,414,067	105,410,583	96.3 %	748,131	106,158,714	97.0 %
2018	117,801,974	113,496,674	96.3 %	769,702	114,266,376	97.0 %
2019	128,381,171	123,727,197	96.4 %	585,462	124,312,659	96.8 %
2020	150,509,299	144,960,218	96.3 %	534,204	145,494,422	96.7 %
2021	162,150,322	156,004,275	96.2 %	774,280	156,778,555	96.7 %
2022	176,972,917	170,589,813	96.4 %	768,126	171,357,939	96.8 %
2023	203,887,038	196,262,383	96.3 %	790,360	197,052,743	96.6 %
2024	239,173,000	230,133,582	96.2 %	597,051	230,730,633	96.5 %
2025	273,251,205	262,726,000	96.1 %	1,013,138	263,739,138	96.5 %

Source: Marion County Tax Collector.

Schedule 9
Marion County, Florida

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

		Other Governmental Activities					Business-Type Activities							
Fiscal Year	General Obligation Bonds	Half Cent Sales Tax Revenue Bonds	Special Assessment Bonds	Notes from Direct Borrowings	Leases Payable	Subscriptions Payable	Utility System Revenue Bonds	Notes from Direct Borrowings	Leases Payable	Subscriptions Payable	Total Primary Government	Marion County Personal Income	Percentage of Personal Income	Per Capita
2016	1,450,000	45,906,700	8,354,821	1,057,928	-	-	61,545,943	25,068,723	-	-	143,384,115	12,031,457,880	1.2%	409
2017	740,000	43,317,800	8,841,093	8,416,611	-	-	59,747,213	23,524,761	-	-	144,587,478	12,725,378,509	1.1%	405
2018	-	40,573,900	6,602,677	7,637,228	-	-	56,313,484	21,942,261	-	-	133,069,550	13,361,406,129	1.0%	367
2019	-	37,740,000	5,976,555	7,027,578	-	-	52,804,755	20,320,206	-	-	123,869,094	14,197,611,540	0.9%	335
2020	-	34,760,000	4,474,207	688,956	-	-	49,211,026	18,657,545	-	-	107,791,734	15,436,563,264	0.7%	286
2021	-	31,675,000	5,195,537	1,696,192	-	-	55,635,000	18,970,376	-	-	113,172,105	17,332,245,756	0.7%	294
2022	-	28,490,000	4,325,295	1,228,248	2,870,769	-	52,100,000	27,343,090	26,075	-	116,383,477	17,648,792,215	0.7%	294
2023	-	25,220,000	3,153,594	885,340	2,590,739	5,372,224	47,635,000	27,425,565	15,144	604,894	112,902,500	18,657,573,676	0.6%	279
2024	-	21,870,000	5,173,135	534,280	11,608,796	3,511,098	43,085,000	24,893,300	24,667	459,380	111,159,656	20,061,387,710	0.6%	265
2025	-	18,440,000	6,664,136	1,436,027	11,749,980	1,633,741	39,190,000	22,315,311	20,315	281,801	101,731,311	21,368,131,000	0.5%	235

Sources: Population and personal income data from University of Florida, Bureau of Economic and Business Research, The Bureau of the Census, and The Bureau of Economic Analysis. See schedule 12

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
Prior year data reflects source data updates.
Per Capita income and population for Fiscal Year 2025 was not available at time of report.
The calculation for 2025 per capita income is a 3.01% CPI increase over 2024 year.
Source of CPI is U.S. Department of Labor, Bureau of Labor Statistics.
Debt limitation-there are no legal debt limits for Florida municipalities.
The County had no overlapping debt with other governments.

Continued next page

Schedule 10
Marion County, Florida

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

	General Bonded Debt				
Fiscal Year	**General Obligation Bonds**	**Less: Amounts Available in Debt Service Fund**	**Net General Bond Debt**	**Percentage of Actual Property Value**	**Per Capita**
2016	1,450,000	267,091	1,182,909	0.005%	34
2017	740,000	253,959	486,041	0.002%	14
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	-	-	-	-	-
2025	-	-	-	-	-

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

1 Taxable value data can be found on the schedule of Assessed Value and Actual Value of Taxable Property.

2 Population data can be found on the Demographic and Economic Statistics schedule.

Schedule 11
Marion County, Florida

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

	Utility System Revenue Bonds and Notes						Special Assessment Bonds				Half-Cent Sales Tax Revenue Bonds			
		Less:	Net Available	Debt Service Requirements			Special	Debt Service Requirements			Half-Cent	Debt Service Requirements		
Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	For Debt Service	Principal	Interest	Coverage	Assessment Collections	Principal	Interest	Coverage	Sales Tax Revenues	Principal	Interest	Coverage
2016	25,572,951	10,857,915	14,715,036	4,431,420	3,209,859	1.93	2,729,848	2,182,532	328,864	1.09	20,563,787	2,295,000	1,303,139	5.72
2017	26,760,686	13,776,913	12,983,773	3,233,962	2,532,823	2.25	2,840,168	2,235,953	269,024	1.13	21,329,279	2,630,000	1,225,272	5.53
2018	26,413,817	11,622,837	14,790,980	4,907,500	2,534,706	1.99	2,276,748	2,238,416	232,660	0.92	22,652,641	2,785,000	1,134,012	5.78
2019	28,599,331	12,449,893	16,149,438	5,022,055	2,424,296	2.17	1,890,166	1,525,998	175,666	1.11	23,618,331	2,875,000	1,036,109	6.04
2020	29,254,741	13,115,321	16,139,420	5,147,662	2,288,032	2.17	1,881,072	1,502,348	146,065	1.14	24,396,086	2,980,000	931,196	6.24
2021	30,031,434	13,506,256	16,525,178	5,289,344	2,141,347	2.22	2,081,196	1,070,231	113,815	1.76	29,170,868	3,085,000	826,268	7.46
2022	33,666,075	16,012,965	17,653,110	5,282,139	1,649,363	2.55	1,598,452	1,289,219	106,395	1.15	33,492,227	3,185,000	737,021	8.54
2023	39,441,240	18,751,072	20,690,168	6,333,560	1,159,797	2.76	1,107,546	1,171,701	91,124	0.88	34,791,492	3,270,000	657,948	8.86
2024	42,273,973	22,021,952	20,252,021	7,082,265	1,150,394	2.46	1,722,597	980,914	66,831	1.64	34,593,499	3,350,000	576,853	8.81
2025	45,105,386	22,400,036	22,705,350	6,472,989	1,027,671	3.03	1,237,494	876,772	111,921	1.25	35,431,819	3,430,000	493,798	9.03

Source: Clerk of the Circuit Court, Finance Department.

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) Gross revenues are defined pursuant to the resolution authorizing the issuance of the bonds (Resolution Number 93-R-292) as all revenues of the Utilities System, excluding governmental grants (and any interest earned on such grants) and water and sewer connection fees.
(2) Operating expenses are defined pursuant to the resolution authorizing the issuance of the bonds (Resolution Number 93-R-292) as all expenses of the Utilities System, with the exception of interest, depreciation, depletion, amortization, or similar expenses.

Continued next page

Schedule 12
Marion County, Florida

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population (1)	Per Capita Personal Income (1)(2)	Personal Income (3) (in thousands)	School Enrollment (4)	Unemployment Rate (5)
2016	350,449	34,331	12,031,265	42,474	6.00%
2017	356,842	35,661	12,725,343	42,893	4.90%
2018	362,918	36,817	13,361,552	42,881	4.20%
2019	369,683	38,425	14,205,069	42,818	3.80%
2020	377,472	40,887	15,433,698	43,008	7.50%
2021	385,135	44,712	17,220,156	41,324	4.70%
2022	396,437	44,355	17,583,963	42,863	3.50%
2023	409,959	46,682	19,137,706	45,462	4.00%
2024	419,510	47,821	20,061,388	45,879	4.40%
2025	433,765	49,262	21,368,131	46,004	5.30%

Sources:
(1) The Bureau of Economic Analysis. www.BEA.gov
Population data for 2025 from University of Florida, Bureau of Economic and Business Research.
(2) Per Capita income for Fiscal Year 2024 and 2025 was not available at time of report.
The calculation for 2024 Per Capita Income is a 2.44% CPI increase from 2023 year.
The calculation for 2025 Per Capita Income is a 3.01% CPI increase from 2024 year.
Source of CPI is U.S. Department of Labor, Bureau of Labor Statistics.
(3) The per capita figures are multiplied by the population to determine the personal income.
The actual per capita personal income is for Marion County.
(4) Marion County Public Schools at www.marionschools.net/
(5) FloridaJobs.org - Local Area Unemployment Statistics
Unemployment rate information is an adjusted yearly average.

Note: Prior year data reflects source data updates.

Schedule 13
Marion County, Florida

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

		Fiscal Year 2025			Fiscal Year 2016		
Employer(1)	Business	Employees	Percent of Total County Employment	Rank	Employees	Percent of Total County Employment	Rank
Marion County Public Schools	Education	6,306	4.12 %	1	6,070	4.87 %	1
AdventHealth Ocala	Healthcare	3,606	2.36 %	2	2,648	2.13 %	2
HCA Florida Hospitals	Healthcare	3,171	2.07 %	3	2,200	1.77 %	5
Wal-Mart	Retail Sales	2,689	1.76 %	4	2,370	1.90 %	4
State of Florida (All Depts.)	Government	2,600	1.70 %	5	2,600	2.09 %	3
Publix Supermarkets	Retail Sales	2,257	1.48 %	6	1,488	1.19 %	7
FedEx Ground	Distribution	1,500	0.98 %	7			
Marion County BCC	Government	1,368	0.89 %	8	1,510	1.21 %	6
City of Ocala	Government	1,134	0.74 %	9	989	0.79 %	9
Lockheed Martin	Manufacturing	1,100	0.72 %	10	981	0.79 %	10
AT & T	Communications				1,000	0.80 %	8
Total		25,731	16.83 %		21,856	17.55 %	
All Others		127,164	83.17 %		102,707	82.45 %	
Total Employment(2)		152,895	100 %		124,563	100 %	

Sources: (1) Top 10 Major Employers from Ocala, Marion County Economic Development Corporation (EDC) at www.ocalaedc.org.
(2) Total Employment numbers from FloridaJobs.org.

Schedule 14
Marion County, Florida

MARION COUNTY GOVERNMENT EMPLOYEES BY FUNCTION / PROGRAM

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities:										
General Government										
1 Board of County Commissioners	182	183	188	188	196	204	212	218	233	244
1 Clerk of the Circuit Court	67	67	65	65	69	71	73	75	76	76
2 Supervisor of Elections	15	17	18	18	18	16	15	17	15	17
3 Tax Collector	118	125	119	117	120	122	115	124	116	111
4 Property Appraiser	52	47	47	48	47	47	50	48	50	51
Public Safety										
5 Marion County Sheriff	708	729	763	790	824	809	848	913	1,029	1,134
1 Board of County Commissioners	721	694	717	735	810	788	803	861	871	913
Physical Environment										
1 Board of County Commissioners	33	31	31	31	31	32	34	33	33	33
Transportation										
1 Board of County Commissioners	171	172	172	190	196	203	203	203	202	201
Economic Environment										
1 Board of County Commissioners	15	15	17	18	16	15	16	21	18	20
Human Services										
1 Board of County Commissioners	55	55	57	57	62	63	67	67	78	88
Culture / Recreation										
1 Board of County Commissioners	162	165	173	172	174	175	179	181	188	192
Court Related										
1 Board of County Commissioners	22	20	18	18	18	19	19	21	22	22
1 Clerk of the Circuit Court	131	131	135	124	128	120	120	119	121	122
Business-type Activities:										
1 Solid Waste	54	53	53	59	57	57	68	70	70	73
1 Water and Wastewater	95	97	98	99	99	103	111	117	127	132
Total	2,601	2,601	2,671	2,729	2,865	2,844	2,933	3,088	3,249	3,429

Sources:
1 Clerk of the Circuit Court, Budget Department.
2 Marion County Supervisor of Elections.
3 Marion County Tax Collector.
4 Marion County Property Appraiser.
5 Marion County Sheriff.

Continued next page

Schedule 15
Marion County, Florida

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Utility System										
Number of customers	31,923	32,121	32,843	33,699	34,755	43,036	45,212	48,549	49,879	53,109
Average daily flow (millions of gallons)	10.27	10.50	10.20	11.80	10.92	12.77	13.76	15.15	15.62	17.62
Building Inspections										
Building permits issued	17,438	17,847	21,943	23,397	29,377	34,141	37,457	36,116	34,521	32,463
Law Enforcement										
Physical arrests	8,675	8,011	9,362	7,801	7,229	6,582	2,366	10,322	12,565	12,172
Fire										
Emergency responses	74,227	79,568	79,570	83,063	86,156	87,592	97,479	95,886	95,445	92,218
Inspections	1,555	1,562	1,955	2,037	2,323	2,721	3,163	4,985	4,759	5,864
Other Public Works										
Street resurfacing (miles)	12	15	21	36	47	28	19	40	20	22
Other street repairs	181,453	333,190	490,406	370,539	367,709	120,634	230,167	275,795	266,506	237,046

Source: Various County Departments.

Note: Indicators are not available for the general government function.

Continued next page

Schedule 16
Marion County, Florida

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Transportation										
Miles of streets	3,079	3,085	3,087	3,088	3,088	3,088	3,097	3,097	3,095	3,095
Utility System										
Miles of water mains	642	648	650	684	684	809	827	846	872	902
Plant Capacity - all plants (millions)	42	39	39	39	39	48	48	49	52	52
Number of fire hydrants	2,469	2,561	3,253	3,131	3,254	3,381	3,283	3,376	3,376	3,768
Water plants	37	35	37	37	37	59	59	59	59	59
Deep wells	65	66	68	68	70	110	110	110	111	107
High service pumping stations	9	9	9	9	9	10	10	10	10	10
Ground storage tanks	9	9	9	9	9	10	10	10	10	10
Ground storage tank capacity (millions of gallons)	8.00	8.00	8.03	8.03	8.03	8.75	8.75	8.75	8.75	8.75
Elevated storage tanks	3	3	3	3	3	3	3	3	3	3
Elevated storage tank capacity (millions of gallons)	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Number of treatment plants	5	5	5	5	5	7	7	7	6	6
Daily treatment capacity (millions of gallons)	4.06	2.25	2.25	4.06	2.45	4.91	4.91	5.19	5.49	5.49
Number of lift stations	166	167	170	168	170	180	186	188	194	205
Miles of sanitary sewer lines	226	349	355	359	368	380	399	407	428	446
Other Public Works										
Traffic signals	116	125	125	125	125	132	132	132	133	137
Public Safety										
Fire stations	30	31	31	30	32	33	32	32	33	33
Sheriff stations	11	10	11	10	10	10	10	10	11	11
Patrol units	420	457	533	556	572	584	557	612	656	722
Parks and Recreation										
Park acreage	2,002	2,479	2,479	2,479	2,479	2,571	2,571	2,571	2,571	2,571
Number of community parks	50	51	51	52	52	53	53	53	53	53

Source: Various County Departments.

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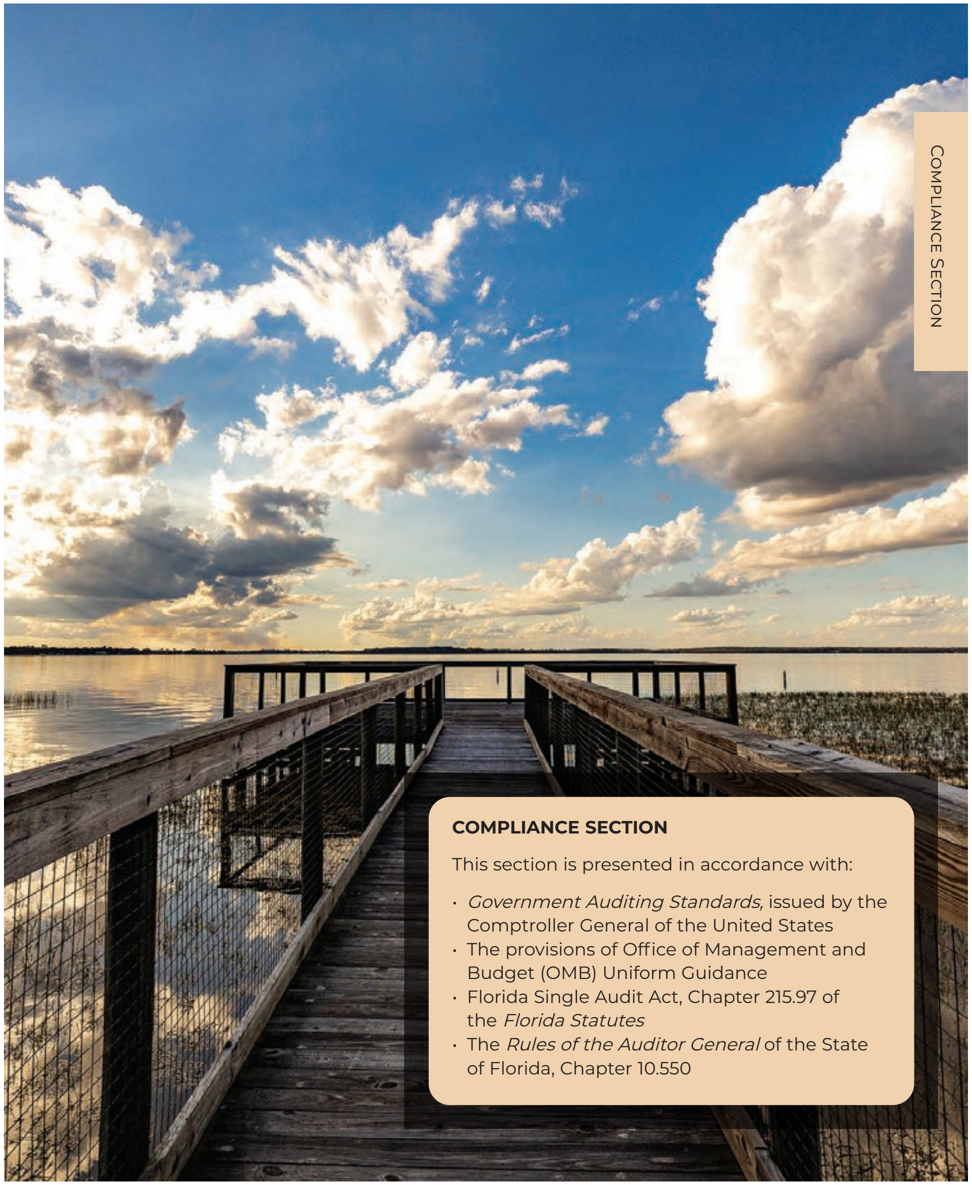

COMPLIANCE SECTION

This section is presented in accordance with:

- *Government Auditing Standards,* issued by the Comptroller General of the United States
- The provisions of Office of Management and Budget (OMB) Uniform Guidance
- Florida Single Audit Act, Chapter 215.97 of the *Florida Statutes*
- The *Rules of the Auditor General* of the State of Florida, Chapter 10.550

ADDITIONAL ELEMENTS OF REPORT PREPARED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*, ISSUED BY THE COMPTROLLER GENERAL OF THE UNITED STATES; THE PROVISIONS OF THE UNIFORM GUIDANCE; AND THE *RULES OF THE AUDITOR GENERAL* OF THE STATE OF FLORIDA

PURVIS GRAY

INDEPENDENT AUDITOR'S 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*

The Honorable Board of County Commissioners
Marion County, Florida
Ocala, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Marion County, Florida (the County) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 13, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 entity'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

INDEPENDENT AUDITOR'S 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*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. 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 non-compliance 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

March 13, 2026
Ocala, Florida

PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

The Honorable Board of County Commissioners
Marion County, Florida
Ocala, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Marion County, Florida's (the County) compliance with the types of compliance requirements identified as subject to audit 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 County's major federal programs and state projects for the year ended September 30, 2025. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County 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, 2025.

Basis for Opinion on Each Major Federal Program and State Project

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 10.550, *Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General,* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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, non-compliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program or 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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program and 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 13, 2026, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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

The Honorable Board of County Commissioners
Marion County, Florida
Ocala, Florida

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

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 schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Purvis Gray

March 13, 2026
Ocala, Florida

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
MARION COUNTY, FLORIDA

Federal Grantor / Pass-Through Grantor / Program Title / Project Title	Federal AL Number	Pass-Through Grantor Number	Federal Expenditures Only	Federal Amount Provided to Subrecipients
FEDERAL AWARDS				
U.S. Department of Agriculture:				
Cooperative Forestry Assistance	10.664	17-LE-11080500-136	14,253	-
Forest Service Schools and Roads Grants:				
Passed through Florida Department of Financial Services:				
Schools and Roads-Grants to States	10.665	N/A	189,289	-
Total U.S. Department of Agriculture			**203,542**	-
U.S. Department of Housing and Urban Development:				
CDBG-Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-21-UC-12-0019	43,935	43,935
Community Development Block Grants/Entitlement Grants	14.218	B-22-UC-12-0019	253,913	246,381
Community Development Block Grants/Entitlement Grants	14.218	B-23-UC-12-0019	389,138	387,876
Community Development Block Grants/Entitlement Grants	14.218	B-24-UC-12-0019	1,117,046	348,050
Community Development Block Grants/Entitlement Grants	14.218	B-11-UN-12-0011	500	-
Total CDBG/Entitlement Grants Cluster			1,804,532	1,026,242
Emergency Solutions Grant Program	14.231	E-23-UC-12-0019	132,362	132,362
Emergency Solutions Grant Program	14.231	E-24-UC-12-0019	190,928	176,604
Passed through Florida Department of Commerce:				
Community Development Block Grants/State's Program	14.228	22CV-E13	196,394	196,394
Total Emergency Solutions Grant Program			519,684	505,360
Home Investment Partnerships Program	14.239	M-18-DC-12-0232	25,340	25,340
Home Investment Partnerships Program	14.239	M-19-DC-12-0232	104,602	104,602
Home Investment Partnerships Program	14.239	M-21-DC-12-0232	8,107	8,107
Home Investment Partnerships Program	14.239	M-22-DC-12-0232	78,859	78,859
Home Investment Partnerships Program	14.239	M-23-DC-12-0232	14,735	-
Home Investment Partnerships Program	14.239	M-24-DC-12-0232	55,467	-
COVID-19 - Home Investment Partnership Program	14.239	M-21-DP-12-0232	502,436	-
Total Home Investment Partnerships Program			789,546	216,908
Continuum of Care Program	14.267	FL0973L4H142100	119,617	-
Total U.S. Department of Housing and Urban Development			**3,233,379**	**1,748,510**
Department of the Interior, US Fish and Wildlife Service				
Passed through Florida Fish and Wildlife Conservation Commission:				
Sport Fish Restoration	15.605	17205	853,223	-
Total U.S. Department of the Interior, US Fish and Wildlife Service			**853,223**	-
U.S. Department of Justice:				
Equitable Sharing Program	16.922	EMW-2019-FG-05521	17,839	-
Treatment Court Discretionary Program	16.585	15-PBJA-24-GG-03923-DGCT	243,218	-
Comprehensive Opioid, Stimulant and other Substance Abuse Program	16.838	15-PBJA-24-GG-04506-COAP	23,123	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15-PBJA-22-GG-02251-JAGX	23,663	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15-PBJA-23-GG-03297-JAGX	136	-
Passed through Florida Department of Law Enforcement:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-02972-MUMU Award #CN149	4,785	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-02972-MUMU Award #C-6N202	44,839	-
Total Edward Byrne Memorial Justice Assistance Grant Program			**73,423**	-
Passed through Florida Department of Law Enforcement:				
Paul Coverdell Forensic Science Improvement Grant	16.742	15-PBJA-24-GG-03219-COVE	2,938	-
Passed through Florida Office of Attorney General:				
Crime Victim Assistance	16.575	VOCA-C-2024-MARION COUNTY SHERIFFS O-00220	48,754	-
Total U.S. Department of Justice			**409,295**	-

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
MARION COUNTY, FLORIDA
(Continued)

Federal Grantor / Pass-Through Grantor / Program Title / Project Title	Federal AL Number	Pass-Through Grantor Number	Federal Expenditures Only	Amount Provided to Subrecipients
U.S. Department of Transportation:				
Airport Improvement Program:	20.106	3-12-0147-009-2024	14,354	-
Passed through Florida Department of Transportation:				
Highway Planning and Construction	20.205	G3485	303,419	-
Highway Planning and Construction	20.205	G2W15	818,873	-
Highway Planning and Construction	20.205	G2M09	28,222	-
Highway Planning and Construction	20.205	G2740	99,837	-
Total Highway Planning and Construction Grants			**1,250,351**	-
Total U.S. Department of Transportation			**1,250,351**	-
U.S. Department of the Treasury:				
COVID-19-Emergency Rental Assistance	21.023	N/A	1,429,999	-
COVID-19-Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	20,285,875	-
Passed through Florida Department of Environmental Protection:				
COVID-19-Coronavirus State and Local Fiscal Recovery Funds	21.027	WG064	7,929,828	-
Total - Coronavirus State and Local Fiscal Recovery Funds			**28,215,703**	
Total U.S. Department of the Treasury			**29,645,702**	-
Election Assistance Commission:				
Passed through Florida Department of State:				
HAVA Election Security Grants	90.404	24.e.an.000.041	11,400	-
Total Election Assistance Commission			**11,400**	-
U.S. Department of Health and Human Services:				
Passed through Florida Department of Revenue:				
Child Support Enforcement	93.563	CDC 42	441,027	-
Total U.S. Department of Health & Human Services			**441,027**	-
U.S. Department of Homeland Security:				
Hazard Mitigation Grant Program	97.039	H0445	63,170	-
Hazard Mitigation Grant Program	97.039	H1037	199,614	
Total Hazard Mitigation Grant Program			**262,784**	-
Passed through Florida Department of Emergency Management:				
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	Z4625	1,031,162	-
Emergency Management Performance Grant	97.042	G0470	4,260	-
Emergency Management Performance Grant	97.042	G0544	89,866	
Total Emergency Management Performance Grants			**94,126**	-
Passed through Florida Department of Emergency Management:				
Homeland Security Grant Program	97.067	R0893	112,900	-
Homeland Security Grant Program	97.067	R1144	41,285	-
Total Homeland Security Grant Program			**154,185**	-
Total U.S. Department of Homeland Security			**1,542,257**	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 37,604,530**	**$ 1,748,510**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
MARION COUNTY, FLORIDA
(Continued)

State Grantor / Pass-Through Grantor / Program Title / Project Title	State CSFA Number	State Identification Number	State Expenditures Only	State Amount Provided to Subrecipients
STATE FINANCIAL ASSISTANCE				
Florida Department of Emergency Management:				
Emergency Management Programs	31.063	A0448	92,405	-
Emergency Management Programs	31.063	A0560	967	-
Total Emergency Management Programs			93,372	-
Emergency Management Projects	31.067	T0367	1,930	-
Total Florida Department of Emergency Management			**95,302**	**-**
Florida Department of Environmental Protection:				
Cooperative Collection Center Grant	37.007	HW509	35,000	-
Statewide Water Quality Restoration Projects	37.039	WG064	9,996,919	-
Passed through St. Johns River Water Management District:				
Florida Springs Grant (Lower Floridan Well Construction)	37.052	LPS0095	349,446	-
Florida Springs Grant (Silver Springs Septic to Sewer)	37.052	WG064	1,500,000	
Total Florida Springs Grant			1,849,446	-
Resilient Florida Programs	37.098	23PLN63	246,507	-
Total Florida Department of Environmental Protection			**12,127,872**	**-**
Florida Department of Commerce:				
Growth Management Implementation	40.024	P0516	75,000	
Economic Development Tax Refund, Credit and Grant Program	40.043	G0122	184,541	
Total Florida Department of Commerce			**259,541**	**-**
Florida Housing Finance Corporation:				
State Housing Initiatives Partnership (SHIP) Program	40.901	N/A	4,647,743	-
Total Florida Housing Finance Corporation			**4,647,743**	**-**
Florida Department of State:				
State Aid to Libraries	45.030	25-ST-29	110,223	-
Total Florida Department of State			**110,223**	**-**
Florida Department of Transportation:				
Florida Commission for the Transportation Disadvantaged Trip and Equipment Grant Program	55.002	G3026	22,437	
Florida Commission for the Transportation Disadvantaged Trip and Equipment Grant Program	55.002	G3D27	12,703	-
Total Florida Commission for the Transportation Disadvantaged Disadvantaged Trip and Equipment Grant Program			35,140	-
Florida Shared Use Non-Motorized (SUN) Trail Network Program	55.038	G2X44	246,472	
Local Transportation Projects	55.039	G2F85	8,601	
Total Florida Department of Transportation			**290,213**	**-**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
MARION COUNTY, FLORIDA
(Continued)

State Grantor / Pass-Through Grantor / Program Title / Project Title	State CSFA Number	State Identification Number	State Expenditures Only	State Amount Provided to Subrecipients
Florida Department of Children and Families:				
Homelessness Staffing Grant	60.021	PPZ61	28,330	28,330
Homelessness Staffing Grant	60.021	PPZ61	144,871	-
Homelessness Staffing Grant	60.021	PPZ61	524,170	524,170
Homelessness Staffing Grant	60.021	PPZ61	191,576	191,576
Homelessness Staffing Grant	60.021	PPZ61	115,932	115,932
Homelessness Staffing Grant	60.021	LP034	20,968	-
Homelessness Staffing Grant	60.021	LP034	5,000	5,000
Total Florida Department of Children and Families			**1,030,847**	**865,008**
Florida Department of Law Enforcement:				
FDLE Drone Replacement Program	71.092	3X040	36,651	
State Assistance for Fentanyl Eradication (SAFE)	71.122	2023-SAFA-SF-026	6,400	
Online Sting Operations	71.148	OS006	53,535	-
Total Florida Department of Law Enforcement:			**96,586**	**-**
Florida Department of Management Services:				
Public Safety Answering Point Upgrades	72.021	DMS-P1-24-07-10	475,048	-
Total Florida Department of Management Services			**475,048**	**-**
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			**$ 19,133,375**	**$ 865,008**
TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			**$ 56,737,905**	**$ 2,613,518**

Notes:

Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of Marion County, Florida and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the financial statements. .

Indirect Cost Rate
Marion County, Florida did not elect to use the 10% de minimus indirect cost rate as allowed under the uniform Guidance.

Additional Information

(1) Marion County received the following Local Government Water Supply Funding Assistance from WRWSA in FY25:

24-25 Local Government Water Supply Funding	16,042	$ 13,074

(2) Assistance Listing Number 97.036 Disaster Relief Grants Public Assistance (Presidentially Declare Disasters) include $1,031,162 of expenditures that were incurred prior to October 1, 2024.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
MARION COUNTY, FLORIDA

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued	Unmodified
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Non-compliance material to financial statements noted?	No

Federal Awards and State Projects

Internal Control Over Major Programs and Major Projects:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Type of Auditor's Report Issued on Compliance for Major Programs and Major Projects	Unmodified
Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a), or Chapter 10.557, *Rules of the Auditor General*?	No

Identification of Major Programs and Major Projects:

Federal Programs

U.S. Department of Treasury:	
Emergency Rental Assistance	Assistance Listing No. 21.023
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Assistance Listing No. 21.027

State Projects

Florida Department of Environmental Protection:	
Statewide Water Quality Restoration Projects	CSFA No. 37.039
Florida Department of Children and Families	
Homelessness Staffing Grant	CSFA No. 60.021

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
MARION COUNTY, FLORIDA

SUMMARY OF AUDITOR'S RESULTS

Dollar Threshold Used to Distinguish Between Type A and Type B Programs – Federal Programs	$1,128,136
Dollar Threshold Used to Distinguish Between Type A and Type B Programs – State Projects	$750,000
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	Yes

Other Issues

- No summary schedule of prior audit findings is required because there were no prior audit findings related to federal programs or state projects.

PURVIS GRAY

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

The Honorable Board of County Commissioners
Marion County, Florida
Ocala, Florida

We have examined Marion County, Florida's (the County) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2025, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of procedures selected depend on our judgement, including an assessment of the risk of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Board of County Commissioners, and applicable management, and is not intended to be, and should not be, used by anyone other than those specified parties.

Purvis Gray

March 13, 2026
Ocala, Florida

PURVIS GRAY

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTIONS 365.172(10) AND 365.173(2)(d), FLORIDA STATUTES**

The Honorable Board of County Commissioners
Marion County, Florida
Ocala, Florida

We have examined Marion County, Florida's (the County) compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee,* and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds*, during the year ended September 30, 2025. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of procedures selected depend on our judgement, including an assessment of the risk of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Board of County Commissioners, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 13, 2026
Ocala, Florida

PURVIS GRAY

MANAGEMENT LETTER

The Honorable Board of County Commissioners
Marion County, Florida
Ocala, Florida

Report of the Financial Statements
We have audited the basic financial statements of Marion County, Florida (the County) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 13, 2026.

Auditor's Responsibility
We conducted our audit 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 of Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements
We have issued our Independent Auditor's 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;* Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Reports on examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosure in those reports and schedule, which are dated March 13, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no audit recommendations made in the preceding audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the County and its component units is reported in Note 1 to the basic financial statements.

Financial Condition and Management
Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination, as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and the review of the financial information provided by same.

Section 10.554 (1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have such recommendations.

Property Assessed Clean Energy (PACE) Programs
As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the County confirms that a Property Assessed Clean Energy (PACE) program, authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the County's geographical boundaries during the fiscal year under audit.

As required by Sections 10.554(1)(i)6.b. and 10.554(1)(i)6.c., *Rules of the Auditor General*, the following are the program administrators and their contact information:

Program Administrator	Address/Contact	Third-Party Administrators & Contact
Florida Green Finance Authority	2501A Burns Rd. Palm Beach Gardens, FL 33410 Phone: 561-630-4922 Attn: Todd Wodraska, Manager and Secretary	**Renew Financial Group LLC** (Residential) 555 12th St., Ste 1650 Oakland, CA 94607 Attn: David Crichton, COO Phone: 844-736-3934
Green Corridor PACE District	5385 North Nob Hill Rd. Sunrise, FL 33351 Phone: 786-271-9208	**Ygrene Energy Fund** 6303 Blue Lagoon Dr., Ste 400 Miami, FL 33126 Phone: 866-634-1358 **Willdan Financial Services** 2401 E Katella Ave., Ste 300 Anaheim, CA 92806 Phone: 866-807-6864
Florida PACE Funding Agency	6650 Professional Parkway Suite 102, Sarasota, FL 34240	**Residential Third-Party Administrators** FortiFi - www.Fortifi.com Phone: 858-345-2000 Home Run - www.homerunfinancing.com Phone: 800-231-6991 **Commercial Third-Party Administrators** Bayview - www.bayviewpace.com Phone: 844-518-2343

The Honorable Board of County Commissioners
Marion County, Florida
Ocala, Florida

MANAGEMENT LETTER

Program Administrator	Address/Contact	Third-Party Administrators & Contact
Florida Development Finance Corporation	Contacts: Ryan Bartkus, Sr. Director Phone: 407-712-6353 Email: rbartkus@fdfcbonds.com Ahisha Rodriguez, Sr. Programs Manager Phone: 407-712-6352 Email: arodriguez@fdfcbonds.com	**Allectrify "FastPace"** Colin Bishopp, CEO, Phone: 202-550-7570 Email: colin@allectrify.com Fran Faulknor, Chief Investment Officer Phone: 240-393-5569 Email: fran@allectrify.com **Bayview PACE** Danny Roberts, Assistant Vice President Phone: 844-518-2343 Email: dannyroberts@bayview.com Joseph Zanzuri, CRE Analyst Phone: 844-518-2343 Email: josephzanzuri@bayview.com **CastleGreen Finance** Lance Haberin, Managing Director Phone: 914-815-9810 Email: lhaberin@castlegreenfinance.com **Clearwater PACE** Jonathan Seabolt Phone: 929-352-1479 Email: jseabolt@c-pace.com **CounterpointeSRE** Eric Alini Phone: 855-431-4400 Email: inquiry@counterpointesre.com **Dwight Green Finance** Joshua Kravitz, Chief Financial Officer Phone: 212-960-3750 Email: info@dwightcap.com **Ebee Management Group** Teresa Smith, Strategic Growth & Development Phone: 419-340-0420 Email: tsmith@ebeeco.com **Enhanced Capital** Ian McCulley Email: imcculley@enhancedcapital.com **Imperial Ridge** Joel Poppert, Managing Director Phone: 303-390-1655 Email: jpoppert@imperialridgecap.com Kevin Morse, Managing Director Phone: 303-390-1655 Email: kmorse@imperialridgecap.com **Lord Capital LLC** Joseph Lau, President Phone: 212-400-7150 Email: jlau@lordcap.com Jessica Collins Phone: 212-400-7150 Email: jcollins@lordcap.com

Program Administrator	Address/Contact	Third-Party Administrators & Contact
		North Bridge Laura Rapaport Phone: 917-747-5474 Email: laura@northbridgeops.com **North Field Capital** Caleb Stokes Phone: 917-349-4101 Email: caleb.stokes@nf-cap.com **Nuveen Green Capital** Ryan Doyle, Sr. Director, Southeast Phone: 404-550-3064 Email: ryan.doyle@nuveen.com Tara Crotty, Vice President, Asset Management Phone: 917-208-4016 Email: tara.crotty@nuveen.com **PACE Equity** Aysha Cox, Transaction Analyst Phone: 855-378-0858 Email: acox@pace-equity.com Pam Haack, Director, Asset Management Phone: 855-378-0858 Email: phaack@pace-equity.com **PACE Loan Group** Rafi Golberstein, Chief Executive Officer Phone: 612-355-2606 Email: rafi@paceloangroup.com Matthew McCormack, Junior Originator / Analyst Phone: 612-355-2630 Email: matthew@paceloangroup.com Angela Ledding, Managing Director Phone: 218-966-8418 Email: angela@paceloangroup.com **Peachtree Group** Robert Loeb Phone: 770-299-2516 Email: rloeb@stonehillsc.com Jared Schlosser, Senior Vice President Phone: 678-823-9313 Email: jschlosser@stonehillsc.com **Petros PACE Finance** John Gamm, Vice President - Legal Phone: 512-599-9027 Email: john@petrospartners.com Tasha Hernandez, Transaction Manager Phone: 512-256-9771 Email: tasha@petrospartners.com Justin White, Vice President – Transactions Phone: 512-599-9047 Email: justin@petrospartners.com

The Honorable Board of County Commissioners
Marion County, Florida
Ocala, Florida

MANAGEMENT LETTER

Program Administrator	Address/Contact	Third-Party Administrators & Contact
		Sustainable Equity, LLC Byron DeLear Phone: 314-445-7911 Email: byron@sustainableequity.org Abraham Rezez Email: abraham@sustainableequity.org **White Oak** Jeff Habicht, Director Phone: 415-644-4100 Email: jhabicht@whiteoaksf.com

Special District Component Units
Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, *Rules of the Auditor General,* the Marion County Community Redevelopment Agency and Rainbow Lakes Estates Municipal Service District, reported the required information in their separately issued financial statements.

The specific required information for the Housing Finance Authority of Marion County, Florida is:

a. The total number of district employees compensated in the last pay period of the district's fiscal year as 1 employee.
b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the district's fiscal year as 9.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $48,658.
d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as $306,955.
e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as $0.
f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before beginning on the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as $0.

The Honorable Board of County Commissioners
Marion County, Florida
Ocala, Florida

MANAGEMENT LETTER

Additional Matters
Section 10.554(1)(i)(3)., *Rules of the Auditor General*, requires us to communicate non-compliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Board of County Commissioners, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 13, 2026
Ocala, Florida

GREGORY C. HARRELL
CLERK OF COURT AND COMPTROLLER – MARION COUNTY, FLORIDA

CLERK OF COURT
RECORDER OF OFFICIAL RECORDS
CLERK AND ACCOUNTANT OF THE BOARD OF COUNTY COMMISSIONERS
CUSTODIAN OF COUNTY FUNDS AND COUNTY AUDITOR

POST OFFICE BOX 1030
OCALA, FLORIDA 34478-1030
TELEPHONE (352) 671-5604
WWW.MARIONCOUNTYCLERK.ORG

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Gregory C. Harrell, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of Marion County, Florida, which is a local government entity of the State of Florida;
2. Marion County, Florida impact fee ordinances have been codified as *Chapter 10, Article XI, Marion County Code*; and
3. To the best of my knowledge, Marion County, Florida has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Gregory C. Harrell
Marion County Clerk of Court and Comptroller

STATE OF FLORIDA
COUNTY OF MARION

SWORN TO (OR AFFIRMED) AND SUBSCRIBED before me by means of ☒ physical presence or ☐ online notarization on this 13th day of FEBRUARY, 2026.

ROBERT W. DAVIS, JR.
Commission # HH 305511
Expires December 16, 2026

Notary Public

☒ Personally Known OR ☐ Produced Identification
Type of Identification Produced N/A

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APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

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APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Marion County, Florida (the "Issuer") in connection with the issuance of its $___________ Infrastructure Sales Surtax Revenue Bonds, Series 2026 Bonds (the "Bonds"). The Bonds are being issued pursuant to Resolution No. 26-R-325 adopted by the Board of County Commissioners of the Issuer (the "Board") on September 15, 2026, as amended and supplemented from time to time (the "Resolution").

SECTION 1. PURPOSE OF THE DISCLOSURE CERTIFICATE. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and Beneficial Owners (defined below) of the Bonds and in order to assist the Participating Underwriters (defined below) in complying with the continuing disclosure requirements of the Rule (defined below).

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Resolution which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean initially the Digital Assurance Certification, LLC, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access web portal of the MSRB, located at http://www.emma.msrb.org.

"Event of Bankruptcy" shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Obligated Person" shall mean any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity or credit facilities).

"Participating Underwriters" shall mean the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Repository" shall mean each entity authorized and approved by the Securities and Exchange Commission from time to time to act as a repository for purposes of complying with the Rule. As of the date hereof, the Repository recognized by the Securities and Exchange Commission for such purpose is the MSRB, which currently accepts continuing disclosure submissions through EMMA.

"Rule" shall mean the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Florida.

SECTION 3. PROVISION OF ANNUAL REPORTS.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than each June 30th (or, if such date falls on a Saturday, Sunday or holiday, then the first business day thereafter), commencing June 30, 2027 with respect to the report for the 2026 fiscal year, provide to any Repository in the electronic format as required and deemed acceptable by such Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date provided, further, in such event unaudited financial statements are required to be delivered as part of the Annual Report in accordance with Section 4(a) below. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) If on the fifteenth (15th) day prior to the annual filing date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 3(a). Upon such reminder, the Issuer shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report no later than two (2) business days prior to the annual filing date, or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Certificate, state the date by which the Annual Report for such year will be provided and instruct the Dissemination Agent that a failure to file has occurred and to immediately send a notice to the Repository in substantially the form attached as Exhibit A, accompanied by a cover sheet completed by the Dissemination Agent in the form set forth in Exhibit B.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of any Repository;

(ii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing any Repository to which it was provided; and

(iii) if the Dissemination Agent has not received an Annual Report by 6:00 p.m. Eastern time on the annual filing date (or, if such annual filing date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a failure to file shall have occurred and the Issuer irrevocably directs the Dissemination Agent to immediately send a notice to the Repository in substantially the form attached as Exhibit A without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Dissemination Agent in the form set forth in Exhibit B.

SECTION 4. CONTENT OF ANNUAL REPORTS. The Issuer's Annual Report shall contain or include by reference the following:

(a) the audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement dated ___________, 2026 (the "Official Statement"), and the audited financial statements shall be filed in the same manner as the Annual Report when they become available; and

(b) updates of historical financial information and operating data set forth in the following tables contained in the Official Statement under the captions:

(i) HISTORICAL POPULATION DISTRIBUTION FACTORS FOR MARION COUNTY;

(ii) HISTORICAL INFRASTRUCTURE SALES SURTAX REVENUES; and

(iii) PRO FORMA DEBT SERVICE COVERAGE ON THE SERIES 2026 BONDS, The information provided under Section 4(b) may be included by specific reference to documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the Repository's Internet website or filed with the Securities and Exchange Commission.

The Issuer reserves the right to modify from time to time the specific types of information provided in its Annual Report or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

SECTION 5. REPORTING OF SIGNIFICANT EVENTS.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds. Such notice shall be given in a timely manner not in excess of ten (10) business days after the occurrence of the event, with the exception of the event described in number 17 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;

2. non-payment related defaults, if material;

3. unscheduled draws on debt service reserves reflecting financial difficulties;

4. unscheduled draws on credit enhancements reflecting financial difficulties;

5. substitution of credit or liquidity providers, or their failure to perform;

6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. modifications to rights of the holders of the Bonds, if material;

8. Bond calls, if material, and tender offers;

9. defeasances;

10. release, substitution, or sale of property securing repayment of the Bonds, if material;

11. ratings changes;

12. an Event of Bankruptcy or similar event of an Obligated Person;

13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a

definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. appointment of a successor or additional trustee, or the change of name of a trustee, if material;

15. incurrence of a Financial Obligation of the Issuer or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or Obligated Person, any of which affect security holders, if material;

16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties; and

17. notice of any failure on the part of the Issuer to meet the requirements of Section 3 hereof.

(b) The notice required to be given in Section 5(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

SECTION 6. IDENTIFYING INFORMATION. In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Certificate to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

(a) the category of information being provided;
(b) the period covered by any annual financial information, financial statement or other financial information or operation data;
(c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
(d) the name of any Obligated Person other than the Issuer;
(e) the name and date of the document being submitted; and
(f) contact information for the submitter.

SECTION 7. TERMINATION OF REPORTING OBLIGATION. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, so long as there is no remaining liability of the Issuer, or if the Rule is repealed or no longer in effect. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 8. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be Digital Assurance Certification LLC.

SECTION 9. AMENDMENT; WAIVER. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the Issuer shall have the right to adopt amendments to this Disclosure Certificate necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. ADDITIONAL INFORMATION. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. DEFAULT. The continuing disclosure obligations of the Issuer set forth herein constitute a contract with the holders of the Bonds. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate; provided, however, the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with the provisions of this Disclosure Certificate shall be an action to compel performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution.

SECTION 12. DUTIES, IMMUNITIES AND LIABILITIES OF DISSEMINATION AGENT.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Dissemination Agent as required by this Disclosure Certificate. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Certificate. The Dissemination Agent may conclusively rely upon certifications of the Issuer at all times.

The obligations of the Issuer under this Section 12 shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Certificate shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

[Remainder of page intentionally left blank]

SECTION 13. BENEFICIARIES. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated as of ____________, 2026

MARION COUNTY, FLORIDA

By:____

Chairman

By:____

Clerk of Court and Comptroller

ACKNOWLEDGED BY:

DIGITAL ASSURANCE CERTIFICATION LLC,
as Dissemination Agent

By:____
Name:______________________________________
Title:_______________________________________

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Issuer: ____________________________________

Obligated Person: ____________________________________

Name(s) of Bond Issue(s): ____________________________________

Date(s) of Issuance: ____________________________________

Date(s) of Disclosure Certificate(s): ____________________________________

CUSIP Number: ____________________________________

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate between the Issuer and Digital Assurance Certification, LLC, as Dissemination Agent. [The Issuer has notified the Dissemination Agent that it anticipates that the Annual Report will be filed by ______________].

Dated:______________________________

Digital Assurance Certification, LLC, as Dissemination Agent, on behalf of the Issuer

____

cc:

EXHIBT B

EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

____

Issuer's Six-Digit CUSIP Number:

____

____

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

____

Number of pages attached: _____

____ Description of Notice Events (Check One):

1.______"Principal and interest payment delinquencies;"
2.______"Non-Payment related defaults, if material;"
3.______"Unscheduled draws on debt service reserves reflecting financial difficulties;"
4.______"Unscheduled draws on credit enhancements reflecting financial difficulties;"
5.______"Substitution of credit or liquidity providers, or their failure to perform;"
6.______"Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;"
7.______"Modifications to rights of securities holders, if material;"
8.______"Bond calls, if material, and tender offers;"
9.______"Defeasances;"
10._____"Release, substitution, or sale of property securing repayment of the Bonds, if material;"
11._____"Rating changes;"
12._____"An Event of Bankruptcy or similar event of an Obligated Person;"
13._____"The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;"
14._____"Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
15._____"Incurrence of a Financial Obligation of the Issuer or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or Obligated Person, any of which affect security holders, if material;"

16._____"Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties;" and

17._____"Failure to provide annual financial information as required."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

____

Name: ______________________________ Title: ______________________________

Digital Assurance Certification, LLC
315 E. Robinson Street, Suite 300
Orlando, Florida 32801
407-515-1100

Date: ____

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MARION COUNTY, FLORIDA

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