

**COLUMBIA COUNTY,
FLORIDA**

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2023

COLUMBIA COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2023
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INTRODUCTORY SECTION

**COLUMBIA COUNTY, FLORIDA
LIST OF PRINCIPAL OFFICIALS
September 30, 2023**

| Title | Name |
|--------------------------------------|----------------------|
| Board of County Commissioners | |
| District I | Ronald Williams |
| District II | Rocky Ford |
| District III | Robby Hollingsworth |
| District IV | Everett Phillips |
| District V | Timothy Murphy |
| County Attorney | Joel Foreman |
| Clerk of Circuit Court | James M. Swisher, Jr |
| Property Appraiser | Jeff Hampton |
| Sheriff | Mark Hunter |
| Supervisor of Elections | Tomi S. Brown |
| Tax Collector | Kyle Keen |

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of County Commissioners
and Constitutional Officers
Columbia County, Florida

Opinions

We have audited the accompanying 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 Columbia County, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Columbia County, Florida'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, each major fund, and the aggregate remaining fund information of Columbia County, Florida, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance 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 standards applicable to financial audits contained in Government auditing standard, issued by the Comptroller 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 Columbia County, Florida, 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.

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 Columbia County, Florida'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 Columbia County, Florida'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 Columbia County, Florida'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.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Columbia County, Florida's basic financial statements. The Schedule of Federal Awards and State Financial Assistance is presented for purposes of additional analysis 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of

Federal Awards and State Financial Assistance is 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 section and the fund combining statements, 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 17, 2024, on our consideration of Columbia 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 the County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Powell & Jones".

Lake City, Florida
July 17, 2024

COLUMBIA COUNTY, FLORIDA
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2023. The analysis provides summary financial information for the County and should be read in conjunction with the County's financial statements.

The County has implemented Governmental Accounting Standards Board (GASB) Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. This statement requires governmental entities to report finances in accordance with specific guidelines. Among those guidelines are the components of this section dealing with management's discussion and analysis.

Its intent is to provide a brief, objective, and easily readable analysis of the County's financial performance for the year and its financial position at fiscal year end September 30, 2023.

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 consist of: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The Government-wide financial statements present an overall picture of the County's financial position and results of operations. The Fund financial statements present financial information for the County's major funds. The Notes to the financial statements provide additional information concerning the County's finances that are not disclosed in the government-wide or fund financial statements.

Government-wide financial statements

The government-wide financial statements consist of the statement of net position and the statement of activities, and are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. Emphasis is placed on the net position of governmental activities and business-type activities and the change in net position. Governmental activities are primarily supported by property and non ad valorem taxes, sales and use taxes, federal and state grants, and state shared revenues. Business-type activities are supported by charges to the users of those activities.

The statement of net position presents information on all assets and liabilities of the County, with the difference between the two 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. Net position is reported in three categories: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental Activities separate from those of business-type activities.

The statement of activities presents information on all revenues and expenses of the County and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the County. To assist in understanding the County's operations, expenses have been reported as governmental activities or business-type activities. Governmental activities financed by the County include public safety, physical environment, transportation, economic environment, human

services, culture and recreation, and general government services. Business-type activities financed by user charges include the landfill and sewer operations.

Fund financial statements

A fund is a separate accounting entity with a self-balancing set of accounts, and is used to maintain control over resources that have been segregated for specific activities or objectives in accordance with special regulations, restrictions, or limitations. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

Proprietary fund financial statements provide information on all assets and liabilities of the fund, changes in the economic resources (revenues and expenses), and total economic resources.

Fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all governmental funds. A statement of revenues, expenditures, and changes in fund balances - budget and actual, is provided for the County's general fund and major special revenue, capital projects, and debt service funds as required supplementary information. For the proprietary funds, which includes business-type activities, a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows are presented. A combining statement of fiduciary net position is presented for the County's agency funds.

Fund financial statements provide more detailed information about the County's activities. Individual funds are established by the County to track revenues that are restricted to certain uses, comply with legal requirements, or account for the use of state and federal grants.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the County. The government-wide financial statements provide an overall picture of the County's financial standing, split between governmental activities and business-type activities. These statements are comparable to private-sector companies and give a good understanding of the County's overall financial health and how the County paid for the various activities, or functions, provided by the County. All assets of the County, including buildings, land, roads, and bridges are reported in the statement of net position. All liabilities, including principal outstanding on bonds, landfill closure liabilities, and future employee benefits obligated but not paid by the County, are included. The statement of activities includes depreciation on all long lived assets of the County, but transactions between the different functions of the County have been eliminated in order to avoid "doubling up" the revenues and expenses.

The *fund financial statements* provide a picture of the major funds of the County and a column for all non-major funds. In the case of governmental activities, outlays for long lived assets are reported as expenditures, and long-term liabilities are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the fund financial statements to the *government wide financial statements*.

Notes to the financial statements

The notes to the financial statements provide additional detail concerning the financial activities and financial balances of the County. Additional information about the accounting practices of the County, investments of the County, long-term debt, and pension plan are some of the items included in the notes to the financial statements.

FINANCIAL HIGHLIGHTS

Total assets of the County exceeded total liabilities by \$179,100,536 (net position). Unrestricted net position for governmental activities was \$7,987,035 and for business-type activities was \$1,881,445. Governmental Activities restricted net position is \$30,537,340 and was \$-0- for Business-type Activities.

Total net position increased by \$6,393,041. Of that amount, a loss of \$4,177,274 is attributable to Governmental Activities; which is primarily attributable to a 10.9 million adjustment in net pension liability. Business-type Activities net position increased by \$10,550,185, the majority of this increase was due to a physical environmental grant.

Governmental Activities revenues decreased by \$4,756,730 to \$93,491,410. This decrease in revenue was due primarily to decreases in grant revenue due to large amounts of ARPA funding received in prior year. Governmental Activities expenses increased by \$14,962,448 to \$94,965,337. This increase in expenses was primarily due to normal inflation, and an increase in the net pension liability.

Business-type activities revenues increased \$12,344,177 to \$16,477,556, and business-type expenses increased \$4,023,216 to \$8,636,980.

FINANCIAL ANALYSIS OF THE COUNTY

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At September 30, 2023, the assets and deferred outflows of resources of the County exceed liabilities and deferred inflows of resources by \$179,100,536.

The following schedule provides a summary of the assets, liabilities, and net position of the County.

Net Position

| | | | Total Government | |
|--|----------------|---------------|------------------|----------------|
| | Governmental | Business-type | 2023 | 2022 |
| Assets | | | | |
| Current assets | \$ 92,535,325 | \$ 4,620,984 | \$ 97,156,309 | \$ 82,466,435 |
| Restricted assets | - | 14,975,441 | 14,975,441 | 14,572,561 |
| Other Noncurrent assets | 127,469,111 | 28,240,818 | 155,709,929 | 144,101,026 |
| Total assets | 220,004,436 | 47,837,243 | 267,841,679 | 241,140,022 |
| Deferred Outflows of Resources | | | | |
| Related to pensions and OPEB | 13,993,636 | 299,209 | 14,292,845 | 11,359,168 |
| Liabilities | | | | |
| Current liabilities (payable from current assets) | 10,977,790 | 2,303,792 | 13,281,582 | 13,810,612 |
| Current liabilities (payable from restricted assets) | - | - | - | 670,258 |
| Noncurrent liabilities | 69,882,592 | 16,361,829 | 86,244,421 | 60,783,752 |
| Total liabilities | 80,860,382 | 18,665,621 | 99,526,003 | 75,264,622 |
| Deferred Inflows of Resources | | | | |
| Related to pensions and OPEB | 3,436,689 | 71,297 | 3,507,986 | 4,500,681 |
| Net Position | | | | |
| Net position invested in capital assets, net of related debt | 111,176,626 | 27,518,090 | 138,694,716 | 131,033,389 |
| Net position - restricted | 30,537,340 | - | 30,537,340 | 30,998,090 |
| Net position - unrestricted | 7,987,035 | 1,881,445 | 9,868,480 | 10,702,408 |
| Total net position | \$ 149,701,001 | \$ 29,399,535 | \$ 179,100,536 | \$ 172,733,887 |

77% of the County's net position reflects its investment in capital assets (land, buildings, infrastructure, and equipment), less any related outstanding debt used to acquire those 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.

An additional 17% of the County's net position represents resources that are dedicated or subject to restrictions on how they may be used. The remaining balance of unrestricted net position, 6%, may be used to meet the government's ongoing obligations to citizens and creditors.

The following schedule provides a summary of the changes in net position. Governmental activities expenses exceeded revenues and transfers in by \$4,183,536. The decrease in Governmental Activities net position is due primarily to the County's increase in net pension liability and related deferred inflows and outflows in the fiscal year ended September 30, 2023. There was an increase in Business-type Activities net position of \$10,550,185.

Changes in Net Position

| | Governmental Activities | Business-type Activities | Total Government | |
|--|------------------------------|-----------------------------|----------------------------|----------------------------|
| | | | 2023 | 2022 |
| Revenues: | | | | |
| Program revenues | | | | |
| Charges for services | \$ 7,988,976 | \$ 4,929,512 | \$12,918,488 | \$ 2,988,201 |
| Operating grants/ contributions | 20,643,523 | 11,016,785 | 31,660,308 | 34,588,225 |
| Capital grants/contributions | 1,344,737 | - | 1,344,737 | 3,755,397 |
| General revenues | | | | |
| Property taxes | 27,133,636 | - | 27,133,636 | 24,400,496 |
| Sales and use taxes | 14,880,808 | - | 14,880,808 | 19,411,394 |
| Federal and State shared revenues | 17,996,014 | - | 17,996,014 | 16,271,360 |
| Interest | 1,757,634 | 491,310 | 2,248,944 | (900,632) |
| Gain (loss) on disposition of fixed assets | 213,228 | - | 213,228 | (926,450) |
| Other | 1,532,854 | 39,949 | 1,572,803 | 1,867,078 |
| Total revenues | <u>93,491,410</u> | <u>16,477,556</u> | <u>109,968,966</u> | <u>101,455,069</u> |
| Expenses: | | | | |
| General government | 16,763,126 | - | 16,763,126 | 12,902,316 |
| Public safety | 37,088,900 | - | 37,088,900 | 30,758,704 |
| Physical environment | 6,854,402 | 8,636,980 | 15,491,382 | 10,369,933 |
| Transportation | 18,129,168 | - | 18,129,168 | 17,384,037 |
| Economic environment | 3,433,703 | - | 3,433,703 | 2,440,127 |
| Human services | 3,761,807 | - | 3,761,807 | 5,174,501 |
| Culture/recreation | 2,740,691 | - | 2,740,691 | 2,815,801 |
| Court related | 5,817,221 | - | 5,817,221 | 2,506,301 |
| Interest on long-term debt | 376,319 | - | 376,319 | 300,933 |
| Total expenses | <u>94,965,337</u> | <u>8,636,980</u> | <u>103,602,317</u> | <u>84,652,653</u> |
| Transfers in (out) | <u>(2,709,609)</u> | <u>2,709,609</u> | <u>-</u> | <u>-</u> |
| Increase (decrease) in net position | <u><u>\$ (4,183,536)</u></u> | <u><u>\$ 10,550,185</u></u> | <u><u>\$ 6,366,649</u></u> | <u><u>\$16,802,416</u></u> |

Property taxes provide 29% of the revenues for Governmental Activities, while sales taxes provide 16%. Most of the Governmental Activities resources are spent for Public Safety (39%), General Government (18%), Transportation (19%), Human Services (4%) Physical Environment (7%).

FUND FINANCIAL INFORMATION

Governmental Funds

General Fund

The County's General Fund is the main operating fund of the County. It is used to account for all financial resources that are not restricted by State or Federal laws, County Ordinances or other externally imposed requirements. As of September 30, 2023, total assets were \$27,998,944 and total liabilities were \$919,007. The ending fund balance was \$27,079,937; \$147,236 of which was restricted, \$1,712,573 was nonspendable interfund loan, and \$270,022 was assigned for specific project expenditures.

During the year ended September 30, 2023, total revenues, \$46,515,847, exceeded total expenditures, by \$26,069,682. \$(25,854,822) was transferred to other funds for operational and

capital related purposes, \$815,298 was transferred in, and \$823,001 in new lease proceeds were received. The net increase in the fund balance in the General Fund was therefore, \$1,853,159.

During the fiscal year, the County amended and increased the General Fund budget by \$8,680,725 primarily due to public assistance and general government projects.

Other Governmental Funds

The *County Transportation Trust Fund* accounts for motor fuel taxes designated for the annual maintenance of roads, bridges, right-of-way, drainage systems, etc. The County has the legal authority to levy ad valorem taxes for the Transportation Fund, but has elected not to do so. During the year, expenditures and transfers exceeded revenues, sales of equipment, proceeds of long-term debt and transfers in out by \$705,335 and resulted in an ending fund balance of \$11,496,479.

The *Municipal Services Fund* accounts for expenditures incurred for the solid waste collection and fire control services in the unincorporated area, and other services which primarily benefit residents of the unincorporated area of the County. Financing is provided by non-ad valorem assessments and other revenues derived from the unincorporated area. For the fiscal year ended September 30, 2023 expenditures exceeded revenues and transfers out by \$634,578.

The *Economic Development Fund* is utilized to promote economic development in the County and to manage economic development agreements with industrial entities in the County. During the year expenditures exceeded revenues and transfers in and transfers out by \$42,856.

The *American Rescue Plan Act Fund* is used to account for the government funding under the American Rescue Plan Act and the expenditure of those funds. During the year grant funds were revenues exceeded expenditures by \$666,031

The *Sheriff General Fund* is the general operating fund of the Sheriff, a Constitutional Officer. The primary source of funds are transfers from the Board of County Commission General Fund. Expenditures for the year were \$19,550,599 and by law this fund has no ending fund balance.

The *Road Improvement Fund* accounts for the ongoing resurfacing and improvements to various roads within the County. Financing is provided by State construction grants and various transfers from other Board funds. During the year, expenditures and transfers out exceeded revenues by \$4,473,749 leaving an ending fund balance of \$7,052,975.

General Fund Budget

Actual revenues for the General Fund exceeded budgeted revenue and transfers in by \$3,771,950. This was primarily due to shared revenue and grants in excess of anticipated amounts. Budgeted expenditures and transfers out were greater than actual by \$10,653,406. This was due to lower levels of spending for public assistance and recreation than anticipated.

Proprietary Funds

The *Landfill Enterprise Fund* accounts for the revenues, expenses, assets, and liabilities associated with the County-operated solid waste disposal facility. This fund is substantially financed by tippage fees charged to users of the services. Total assets as of September 30, 2023, were \$28,820,628, total liabilities were \$15,795,699, net deferred outflows/inflows related to the Florida State Retirement System pension liability were \$175,818 and net position was \$13,200,747. Total income, including interest and grants, was \$4,993,617. Total expenses were \$7,273,649. There was a transfer in of \$9,743. This reduced net position by \$2,270,289 to \$13,200,747

The *Utilities Fund* accounts for the financial activities associated with the County operated water and sewer services. Total assets at September 30, 2023 were \$21,212,027, total liabilities were \$5,065,333, and net position was \$16,198,788. Total income and transfers in were \$14,183,805. Total expenses, including interest expense, were \$1,363,331, leaving a net change in net position of \$12,820,474.

CAPITAL ASSETS ACTIVITY

The County's capital assets for its governmental and business-type activities as of September 30, 2023, is \$155,709,931 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress, net of depreciation. General fixed assets are recorded at cost. For assets purchased before 2003, assets were recorded at cost or fair market value.

The most significant change in capital assets during the fiscal year was the ongoing construction of various roads and road improvements, utility improvements and County jail facilities construction.

The following schedule provides a summary of the County's capital assets balances for the year ended September 30, 2023, compared to the prior year:

| Capital Assets | | | | |
|-------------------------------|----------------------------|-----------------------------|------------------|---------------|
| | Governmental Activities | Business-type Activities | Total Government | |
| | | | 2023 | 2022 |
| Land and land interests | \$ 15,145,456 | \$ 2,087,118 | \$ 17,232,574 | \$ 17,103,573 |
| Construction in progress | 2,361,821 | 17,820,294 | 20,182,115 | 13,425,012 |
| Infrastructure | 189,659,187 | 17,917,054 | 207,576,241 | 206,647,381 |
| Buildings and improvements | 94,789,391 | 508,514 | 95,297,905 | 86,342,508 |
| Equipment | 34,385,341 | 5,491,647 | 39,876,988 | 39,416,102 |
| Right to use leased assets | 4,863,264 | 195,060 | 5,058,324 | 1,938,551 |
| | 341,204,460 | 44,019,687 | 385,224,147 | 364,873,127 |
| Less accumulated depreciation | (213,735,349) | (15,778,869) | (229,514,218) | (220,772,102) |
| Total | \$ 127,469,111 | \$ 28,240,818 | \$155,709,929 | \$144,101,025 |

DEBT MANAGEMENT

Governmental Activities Debt

During the year, total long-term debt increased by \$16,536,220. This was primarily due to the increase of \$10,908,910 in the net pension liability of the Florida State Retirement Pension Plan. The following schedule shows the balances of the County's long-term debt at year end:

| | |
|--|----------------------|
| Revenue bonds | \$ 13,921,953 |
| Capital leases | 533,739 |
| Leases | 3,300,095 |
| Compensated absences | 3,379,793 |
| County's proportionate share FRS pension liability | 51,123,498 |
| Other post-employment benefits | 207,448 |
| | <u>\$ 72,466,526</u> |

Business-type Activities Debt

The County has received loans from the Florida Department of Environmental Protection in support of its utility services. The total balances payable of these loans and the other debt of the proprietary funds of the County at September 30, 2023 are shown in the table below:

| | |
|--|----------------------|
| Department of Environmental Protection Loans | \$ 543,922 |
| Leases | 177,552 |
| Compensated absences | 133,938 |
| Landfill Closure Liability | 14,508,858 |
| Net pension liability | 1,095,753 |
| | <u>\$ 16,460,023</u> |

OTHER FINANCIAL INFORMATION

Economic Factors and Next Year's Budget

- The 2023 unemployment rate for the County, was 3.4%.
- The estimated population for the County in 2023 was 73,063.
- The ad valorem tax millage rate for the County was 7.815 mills in 2023, which was the same as the prior year.

REQUEST 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. Questions concerning this report or requests for additional information should be addressed to the County Manager, P. O. Drawer 1529, Lake City, Florida 32025, or by calling (386) 758-1005.

BASIC FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
September 30, 2023

| | Governmental Activities | Business - type Activities | Total |
|---|------------------------------------|---------------------------------------|--------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash | \$ 63,453,619 | \$ 6,282,051 | \$ 69,735,670 |
| Accounts receivable, net | 105,333 | 489,248 | 594,581 |
| Internal balances | 2,195,412 | (2,195,412) | - |
| Due from fiduciary funds | 279,092 | - | 279,092 |
| Due from other governmental units | 2,801,425 | 3,000 | 2,804,425 |
| Inventories | 58,089 | - | 58,089 |
| Prepaid expenses | 260,220 | - | 260,220 |
| Investments | 23,379,135 | 42,097 | 23,421,232 |
| Other current assets | 3,000 | - | 3,000 |
| Total current assets | 92,535,325 | 4,620,984 | 97,156,309 |
| Noncurrent Assets | | | |
| Restricted assets | | | |
| Cash | - | 98,847 | 98,847 |
| Investments | - | 14,876,594 | 14,876,594 |
| Total restricted assets | - | 14,975,441 | 14,975,441 |
| Capital assets: | | | |
| Capital assets not being depreciated | 17,507,277 | 19,907,412 | 37,414,689 |
| Capital assets being depreciated, net | 106,309,738 | 8,154,276 | 114,464,014 |
| Lease assets net of amortization, net | 3,652,096 | 179,130 | 3,831,226 |
| Total capital assets | 127,469,111 | 28,240,818 | 155,709,929 |
| Total assets | 220,004,436 | 47,837,243 | 267,841,679 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Related to pensions and OPEB | 13,993,636 | 299,209 | 14,292,845 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts payable | 2,366,882 | 2,106,511 | 4,473,393 |
| Accrued wages | 1,854,368 | 48,671 | 1,903,039 |
| Due to other governmental units | 208,587 | - | 208,587 |
| Accrued compensated absences, current portion | 506,969 | 20,091 | 527,060 |
| Interest payable | 19,300 | 2,643 | 21,943 |
| Deposits | 9,939 | 46,569 | 56,508 |
| Other current liabilities | 33,712 | - | 33,712 |
| Unearned revenue | 3,900,068 | - | 3,900,068 |
| Bonds payable, current portion | - | - | - |
| Notes payable, current portion | 1,464,302 | 52,674 | 1,516,976 |
| Leases payable, current portion | 613,663 | 26,633 | 640,296 |
| Total current liabilities | 10,977,790 | 2,303,792 | 13,281,582 |
| Noncurrent Liabilities | | | |
| Notes payable, net of current | 12,458,651 | 492,501 | 12,951,152 |
| Capital leases | - | - | - |
| Bonds payable, net of current | - | - | - |
| Leases payable, net of current | 3,220,171 | 150,920 | 3,371,091 |
| Accrued compensated absences, net of current | 2,872,824 | 113,847 | 2,986,671 |
| OPEB Liability | 207,448 | - | 207,448 |
| Estimated landfill closure liability | - | 14,508,858 | 14,508,858 |
| Net pension liability | 51,123,498 | 1,095,703 | 52,219,201 |
| Total noncurrent liabilities | 69,882,592 | 16,361,829 | 86,244,421 |
| Total liabilities | 80,860,382 | 18,665,620 | 99,526,002 |
| (Continued) | | | |

See notes to financial statements

COLUMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
September 30, 2023

| | Governmental Activities | Business - type Activities | Total |
|---|------------------------------------|---------------------------------------|-----------------------|
| DEFERRED INFLOWS OF RESOURCES | | | |
| Related to pensions and OPEB | \$ 3,436,689 | \$ 71,297 | \$ 3,507,986 |
| NET POSITION | | | |
| Invested in capital assets, net of related debt | 111,176,626 | 27,356,164 | 138,532,790 |
| Restricted | 30,537,340 | - | 30,537,340 |
| Unrestricted | 7,987,035 | 2,043,371 | 10,030,406 |
| Total net position | \$ 149,701,001 | \$ 29,399,535 | \$ 179,100,536 |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2023

| | | Program Services | | | Net (Expenses) Revenues and Changes in Net Position | | |
|---|-----------------------|-------------------------|--|--|--|--------------------------------|-----------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business Type Activities | Total |
| Functions/Programs | Expenses | | | | | | |
| Governmental Activities | | | | | | | |
| General Government | \$ 16,763,126 | \$ 5,188,742 | \$ 7,341,709 | \$ - | \$ (4,232,675) | \$ - | \$ (4,232,675) |
| Public Safety | 37,088,900 | 854,274 | 2,386,909 | - | (33,847,717) | - | (33,847,717) |
| Physical Environment | 6,854,402 | - | 2,787,508 | - | (4,066,894) | - | (4,066,894) |
| Transportation | 18,129,168 | 2,833 | 4,906,323 | 1,344,737 | (11,875,275) | - | (11,875,275) |
| Economic Environment | 3,433,703 | - | 1,748,452 | - | (1,685,251) | - | (1,685,251) |
| Human Services | 3,761,807 | - | 452,950 | - | (3,308,857) | - | (3,308,857) |
| Culture/recreation | 2,740,691 | 7,437 | 704,360 | - | (2,028,894) | - | (2,028,894) |
| Court-related | 5,817,221 | 1,935,690 | 315,312 | - | (3,566,219) | - | (3,566,219) |
| Interest on long-term debt | 376,319 | - | - | - | (376,319) | - | (376,319) |
| Total governmental activities | 94,965,337 | 7,988,976 | 20,643,523 | 1,344,737 | (64,988,101) | - | (64,988,101) |
| Business - type activities | | | | | | | |
| Physical Environment | | | | | | | |
| Landfill and utilities | 8,636,980 | 4,929,512 | 11,016,785 | - | - | 7,309,317 | 7,309,317 |
| Total government | \$ 103,602,317 | \$ 12,918,488 | \$ 31,660,308 | \$ 1,344,737 | (64,988,101) | 7,309,317 | (57,678,784) |
| General revenues | | | | | | | |
| Ad valorem taxes | | | | | 27,133,636 | - | 27,133,636 |
| Sales and use taxes | | | | | 13,990,708 | - | 13,990,708 |
| Franchise taxes | | | | | 535,979 | - | 535,979 |
| Federal payments in lieu of taxes | | | | | 354,121 | - | 354,121 |
| Federal and state shared revenue | | | | | 17,996,014 | - | 17,996,014 |
| Interest | | | | | 1,757,633 | 491,310 | 2,248,943 |
| Gain (loss) on disposition of fixed assets | | | | | 213,228 | 39,949 | 253,177 |
| Rents and royalties | | | | | 85,431 | - | 85,431 |
| Miscellaneous | | | | | 1,447,424 | - | 1,447,424 |
| Transfers in (out) | | | | | (2,709,609) | 2,709,609 | - |
| Total general revenues and transfers | | | | | 60,804,565 | 3,240,868 | 64,045,433 |
| Change in net position | | | | | (4,183,536) | 10,550,185 | 6,366,649 |
| Net position beginning of year | | | | | 153,884,537 | 18,849,350 | 172,733,887 |
| Net position end of year | | | | | \$ 149,701,001 | \$ 29,399,535 | \$ 179,100,536 |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2023

| | Special Revenue Funds | | | | | | Capital Projects Funds | | |
|--|-----------------------|-----------------------------|---------------------|----------------------|--------------------------|---------------------|------------------------|--------------------------|--------------------------|
| | General Fund | County Transportation Trust | Municipal Services | Economic Development | American Rescue Plan Act | Sheriff Operating | Road Improvement | Other Governmental Funds | Total Governmental Funds |
| ASSETS | | | | | | | | | |
| Cash | \$ 2,081,197 | \$ 9,279,603 | \$ 5,790,968 | \$ 4,210,293 | \$ 7,310,051 | \$ 1,489,226 | \$ 5,760,499 | \$ 27,531,782 | \$ 63,453,619 |
| Accounts receivable | 359 | - | - | - | - | 79,573 | - | 25,401 | 105,333 |
| Due from other funds | 6,867,484 | - | 482,839 | - | - | 3,984 | - | 255,491 | 7,609,798 |
| Due from other governmental units | 1,101,549 | 294,373 | 14,302 | 72,336 | - | 44,090 | 133,807 | 1,140,968 | 2,801,425 |
| Inventories | - | 58,089 | - | - | - | - | - | - | 58,089 |
| Prepaid items | - | 260,220 | - | - | - | - | - | - | 260,220 |
| Investments | 17,945,355 | 1,928,900 | - | - | - | - | 1,541,361 | 1,963,519 | 23,379,135 |
| Other current assets | 3,000 | - | - | - | - | - | - | - | 3,000 |
| Total assets | \$ 27,998,944 | \$ 11,821,185 | \$ 6,288,109 | \$ 4,282,629 | \$ 7,310,051 | \$ 1,616,873 | \$ 7,435,667 | \$ 30,917,161 | \$ 97,670,619 |
| LIABILITIES AND FUND BALANCES | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Accounts payable | \$ 688,418 | \$ 170,746 | \$ 227,119 | \$ 73,856 | \$ - | \$ 333,435 | \$ 382,692 | \$ 490,616 | \$ 2,366,882 |
| Due to other funds | - | - | - | 1,536,674 | 3,037,918 | 172,258 | - | 388,444 | 5,135,294 |
| Due to other governmental units | - | - | 17,129 | - | - | - | - | 191,458 | 208,587 |
| Accrued wages | 226,166 | 153,959 | 191,341 | 3,307 | - | 1,111,180 | - | 168,415 | 1,854,368 |
| Deposits | 2,300 | - | - | - | - | - | - | 7,639 | 9,939 |
| Other current liabilities | 2,123 | - | - | - | - | - | - | 31,589 | 33,712 |
| Unearned revenues | - | - | 3,654 | - | 3,592,472 | - | - | 303,942 | 3,900,068 |
| Total liabilities | 919,007 | 324,705 | 439,243 | 1,613,837 | 6,630,390 | 1,616,873 | 382,692 | 1,582,103 | 13,508,850 |
| Fund balances | | | | | | | | | |
| Nonspendable: | | | | | | | | | |
| Inventories | - | 58,089 | - | - | - | - | - | - | 58,089 |
| Prepaid items | - | 260,220 | - | - | - | - | - | - | 260,220 |
| Utilities fund loan | 1,712,573 | - | 482,839 | - | - | - | - | - | 2,195,412 |
| Restricted | 147,236 | 11,178,171 | 5,366,027 | - | 679,661 | - | - | 13,166,245 | 30,537,340 |
| Assigned | 270,022 | - | - | 2,668,792 | - | - | 7,052,975 | 16,168,813 | 26,160,602 |
| Unassigned | 24,950,106 | - | - | - | - | - | - | - | 24,950,106 |
| Total fund balances | 27,079,937 | 11,496,480 | 5,848,866 | 2,668,792 | 679,661 | - | 7,052,975 | 29,335,058 | 84,161,769 |
| Total liabilities and fund balances | \$ 27,998,944 | \$ 11,821,185 | \$ 6,288,109 | \$ 4,282,629 | \$ 7,310,051 | \$ 1,616,873 | \$ 7,435,667 | \$ 30,917,161 | |

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 are therefore not reported in the funds:

127,469,111

Long-term debt transactions are not due and payable in the current period and therefore are not reported in the funds:

Interest payable (19,300)
Notes payable (13,922,953)
Leases payable (3,833,834)
Accrued compensated absences (3,379,793)
Net pension liability (51,123,498)
Deferred outflows/inflows of resources 10,556,947
OPEB obligation (207,448)

\$ 149,701,001

See notes to financial statements.

Net position of governmental activities

COLUMBIA COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2023

| | Special Revenue Funds | | | | | | Capital Projects Funds | | |
|--|-----------------------|-----------------------------|--------------------|----------------------|--------------------------|---------------------|------------------------|--------------------------|--------------------------|
| | General Fund | County Transportation Trust | Municipal Services | Economic Development | American Rescue Plan Act | Sheriff Operating | Road Improvement | Other Governmental Funds | Total Governmental Funds |
| REVENUES | | | | | | | | | |
| Taxes | \$ 32,518,413 | \$ 7,772,694 | \$ 849,534 | \$ - | \$ - | \$ - | \$ 1,311,011 | \$ 4,150,482 | \$ 46,602,134 |
| Licenses and permits, special assessments | 90,650 | - | 12,069,770 | - | - | - | - | 5,688 | 12,166,108 |
| Intergovernmental | 9,770,665 | 4,906,323 | 435,821 | 1,748,452 | 500,000 | 276,439 | 1,402,399 | 3,915,010 | 22,955,109 |
| Charges for services | 2,900,919 | 2,785 | 305,554 | - | - | 198,343 | - | 4,581,375 | 7,988,976 |
| Fines and forfeitures | 147,430 | - | - | - | - | - | - | 209,223 | 356,653 |
| Interest | 642,089 | 170,821 | 170,071 | 87,994 | 166,031 | 25,772 | 222,142 | 272,713 | 1,757,633 |
| Miscellaneous | 445,681 | 305,331 | 113,399 | - | - | 385,815 | - | 201,343 | 1,451,569 |
| Total revenues | <u>46,515,847</u> | <u>13,157,954</u> | <u>13,944,149</u> | <u>1,836,446</u> | <u>666,031</u> | <u>886,369</u> | <u>2,935,552</u> | <u>13,335,834</u> | <u>93,278,182</u> |
| EXPENDITURES | | | | | | | | | |
| Current expenditures | | | | | | | | | |
| General government | 7,864,820 | - | 37,898 | - | - | - | - | 6,607,333 | 14,510,051 |
| Public safety | 4,223,982 | - | 8,150,660 | - | - | 19,533,118 | - | 441,807 | 32,349,567 |
| Physical environment | 1,899,851 | - | 4,200,335 | - | - | - | - | - | 6,100,186 |
| Transportation | - | 10,707,168 | - | - | - | - | 2,239,386 | 3,169 | 12,949,723 |
| Economic environment | 228,565 | - | 24,829 | 1,229,302 | - | - | - | 1,873,679 | 3,356,375 |
| Human services | 3,675,230 | - | - | - | - | - | - | - | 3,675,230 |
| Culture/recreation | 689,288 | - | - | - | - | - | - | 1,867,530 | 2,556,818 |
| Court-related | - | - | - | - | - | - | - | 2,287,726 | 2,287,726 |
| Capital outlay | | | | | | | | | |
| General government | 919,514 | - | - | - | - | - | - | 161,600 | 1,081,114 |
| Public safety | 629,679 | - | 311,054 | - | - | 852,381 | - | 417,422 | 2,210,536 |
| Physical environment | 98,202 | - | - | - | - | - | - | - | 98,202 |
| Transportation | - | 530,329 | - | - | - | - | 169,915 | 2,120,850 | 2,821,094 |
| Economic environment | - | - | - | - | - | - | - | 8,290 | 8,290 |
| Human service | - | - | - | - | - | - | - | 18,834 | 18,834 |
| Culture/recreation | - | - | - | - | - | - | - | 458,251 | 458,251 |
| Court-related | - | - | - | - | - | - | - | 2,739 | 2,739 |
| Debt service | | | | | | | | | |
| Principal | 207,380 | 726,752 | 326,832 | - | - | 51,469 | - | 1,166,012 | 2,478,445 |
| Interest | 9,654 | 12,344 | 27,119 | - | - | - | - | 327,202 | 376,319 |
| Total expenditures | <u>20,446,165</u> | <u>11,976,593</u> | <u>13,078,727</u> | <u>1,229,302</u> | <u>-</u> | <u>20,436,968</u> | <u>2,409,301</u> | <u>17,762,444</u> | <u>87,339,500</u> |
| Excess of revenues over (under) expenditures | <u>26,069,682</u> | <u>1,181,361</u> | <u>865,422</u> | <u>607,144</u> | <u>666,031</u> | <u>(19,550,599)</u> | <u>526,251</u> | <u>(4,426,610)</u> | <u>5,938,682</u> |
| Other financing sources (uses) | | | | | | | | | |
| Sale of fixed assets | - | - | - | - | - | - | - | 209,120 | 209,120 |
| Lease proceeds | 823,001 | 2,110,305 | - | - | - | - | - | 5,665,165 | 8,598,471 |
| Interfund transfers in | 815,298 | 3,000 | - | - | - | 19,550,599 | - | 15,714,376 | 36,083,273 |
| Interfund transfers out | (25,854,822) | (4,000,000) | (1,500,000) | (650,000) | - | - | (5,000,000) | (1,778,317) | (38,783,139) |
| Total other financing sources (uses) | <u>(24,216,523)</u> | <u>(1,886,695)</u> | <u>(1,500,000)</u> | <u>(650,000)</u> | <u>-</u> | <u>19,550,599</u> | <u>(5,000,000)</u> | <u>19,810,344</u> | <u>6,107,725</u> |
| Net change in fund balances | <u>1,853,159</u> | <u>(705,334)</u> | <u>(634,578)</u> | <u>(42,856)</u> | <u>666,031</u> | <u>-</u> | <u>(4,473,749)</u> | <u>15,383,734</u> | <u>12,046,407</u> |
| Fund balances beginning of year | <u>25,226,778</u> | <u>12,201,814</u> | <u>6,483,444</u> | <u>2,711,648</u> | <u>13,630</u> | <u>-</u> | <u>11,526,724</u> | <u>13,951,324</u> | <u>72,115,362</u> |
| Fund balances end of year | <u>27,079,937</u> | <u>11,496,480</u> | <u>5,848,866</u> | <u>2,668,792</u> | <u>679,661</u> | <u>-</u> | <u>7,052,975</u> | <u>29,335,058</u> | <u>84,161,769</u> |
| See notes to financial statements. | | | | | | | | | |

COLUMBIA COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2023

Net change in fund balances - total governmental funds \$ 12,046,407

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. Losses on dispositions are not recorded in governmental funds.

| | | |
|--|-------------|-------------|
| Transfers of equipment to other funds | (9,743) | |
| Loss on disposition of equipment | (840,332) | |
| Expenditures for capital assets | 6,699,060 | |
| Less current year depreciation and adjustments | (9,413,989) | (3,565,004) |

Repayments of notes, capital leases and bonds are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Debt proceeds increase fund balance in governmental funds but are increases in liabilities in the Statement of Net Position.

| | | |
|--------------------|-------------|-------------|
| Principal payments | 2,478,445 | |
| Lease additions | (2,933,306) | |
| Note financing | (5,665,165) | |
| Lease terminations | 844,440 | (5,275,586) |

Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

| | | |
|---|--------------|-------------|
| Net change in compensated absences | (346,576) | |
| Net change in accrued interest expense | 55,306 | |
| Net change in the OPEB obligation | (5,148) | |
| Net change in net pension liability | (10,908,910) | |
| Net change in deferred inflows/outflows | 3,815,975 | (7,389,353) |

| | | |
|--|----------------|--|
| | \$ (4,183,536) | |
|--|----------------|--|

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2023

| | Business type -Activities | | |
|---|----------------------------------|-------------------|-------------------|
| | Enterprise Funds | | |
| | Landfill Enterprise | Utilities | Total |
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | \$ 6,414,766 | \$ (132,715) | \$ 6,282,051 |
| Accounts receivable net of allowance for uncollectible accounts | 433,920 | 55,328 | 489,248 |
| Due from other governmental units | - | 3,000 | 3,000 |
| Investments | 42,097 | - | 42,097 |
| Total current assets | 6,890,783 | (74,387) | 6,816,396 |
| Noncurrent Assets | | | |
| Restricted assets | | | |
| Cash and cash equivalents | 98,847 | - | 98,847 |
| Investments | 14,876,594 | - | 14,876,594 |
| Total restricted assets | 14,975,441 | - | 14,975,441 |
| Fixed assets | | | |
| Nondepreciable | | | |
| Land | 908,279 | 1,178,839 | 2,087,118 |
| Construction in progress | 89,094 | 17,731,200 | 17,820,294 |
| Depreciable | | | |
| Buildings | 508,514 | - | 508,514 |
| Improvements other than buildings | 12,308,841 | 5,608,213 | 17,917,054 |
| Equipment | 5,415,798 | 75,849 | 5,491,647 |
| Leased assets | 156,780 | 38,280 | 195,060 |
| Accumulated depreciation/amortization | (12,432,902) | (3,345,967) | (15,778,869) |
| Total fixed assets | 6,954,404 | 21,286,414 | 28,240,818 |
| Total noncurrent assets | 21,929,845 | 21,286,414 | 43,216,259 |
| Total assets | 28,820,628 | 21,212,027 | 50,032,655 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Related to pensions and OPEB | 230,819 | 68,390 | 299,209 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts payable | 134,178 | 1,972,333 | 2,106,511 |
| Accrued wages | 36,622 | 12,049 | 48,671 |
| Due to other funds | - | 2,195,412 | 2,195,412 |
| Interest payable | - | 2,643 | 2,643 |
| Accrued compensated absences, current portion | 16,181 | 3,910 | 20,091 |
| Deposits | 21,589 | 24,980 | 46,569 |
| Note payable, current portion | - | 52,674 | 52,674 |
| Leases payable, current portion | 21,200 | 5,433 | 26,633 |
| Total current liabilities | 229,770 | 4,269,434 | 4,499,204 |

(Continued)

See notes to financial statements

COLUMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2023

| | Business type -Activities | | |
|---|----------------------------------|----------------------|----------------------|
| | Enterprise Funds | | |
| | Landfill Enterprise | Utilities | Total |
| Noncurrent Liabilities | | | |
| Net pension liability | \$ 845,247 | \$ 250,456 | \$ 1,095,703 |
| Notes payable, net of current | - | 492,501 | 492,501 |
| Leases payable, net of current | 120,135 | 30,785 | 150,920 |
| Landfill closure liability | 14,508,858 | - | 14,508,858 |
| Accrued compensated absences, net of current | 91,690 | 22,157 | 113,847 |
| Total noncurrent liabilities | 15,565,930 | 795,899 | 16,361,829 |
| Total liabilities | 15,795,699 | 5,065,333 | 20,861,032 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Related to pensions and OPEB | 55,001 | 16,296 | 71,297 |
| NET POSITION | | | |
| Invested in capital assets, net of related debt | 6,813,069 | 20,705,021 | 27,518,090 |
| Unrestricted (deficit) | 6,387,678 | (4,506,233) | 1,881,445 |
| Total net position | \$ 13,200,747 | \$ 16,198,788 | \$ 29,399,535 |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2023

| | Business- type Activities | | |
|---|----------------------------------|----------------------|----------------------|
| | Enterprise Funds | | |
| | Landfill Enterprise | Utilities | Totals |
| OPERATING REVENUES | | | |
| Licenses and permits | \$ 117,546 | \$ 11,241 | \$ 128,787 |
| Franchise fees | 368,089 | - | 368,089 |
| Charges for services | | | |
| Physical environment | | | |
| Garbage/solid waste revenue | 3,969,553 | - | 3,969,553 |
| Water and wastewater revenue | - | 454,251 | 454,251 |
| Miscellaneous | 8,832 | - | 8,832 |
| Total operating revenues | 4,464,020 | 465,492 | 4,929,512 |
| OPERATING EXPENSES | | | |
| Landfill and water/wastewater utilities | | | |
| Personnel services | 1,326,027 | 416,562 | 1,742,589 |
| Operating expenses | 1,703,380 | 645,544 | 2,348,924 |
| Depreciation/amortization | 701,392 | 287,719 | 989,111 |
| Total operating expenses | 3,730,799 | 1,349,825 | 5,080,624 |
| Operating income (loss) | 733,221 | (884,333) | (151,112) |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Gain (loss) on disposal of capital assets | 39,949 | - | 39,949 |
| Landfill closure liability adjustment | (3,540,164) | - | (3,540,164) |
| Interest earnings | 489,648 | 1,662 | 491,310 |
| Debt service costs | | | |
| Interest | (2,686) | (13,506) | (16,192) |
| Total nonoperating revenues (expenses) | (3,013,253) | (11,844) | (3,025,097) |
| Income (loss) before contributions and transfers | (2,280,032) | (896,177) | (3,176,209) |
| Capital grants | - | 11,016,785 | 11,016,785 |
| Transfers in/(out) | 9,743 | 2,699,866 | 2,709,609 |
| | 9,743 | 13,716,651 | 13,726,394 |
| Change in net position | (2,270,289) | 12,820,474 | 10,550,185 |
| Net position at beginning of year | 15,471,036 | 3,378,314 | 18,849,350 |
| Net position at end of year | \$ 13,200,747 | \$ 16,198,788 | \$ 29,399,535 |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2023

| | Business - type Activities | | |
|---|-----------------------------------|----------------------------|----------------------------|
| | Enterprise Funds | | |
| | Landfill Enterprise | Utilities | Total |
| Cash Flows From Operating Activities | | | |
| Cash flows received from services | \$ 4,613,363 | \$ 467,793 | \$ 5,081,156 |
| Cash paid for employees and benefits | (1,103,480) | (312,671) | (1,416,151) |
| Cash paid to vendors | (1,621,884) | (609,326) | (2,231,210) |
| Net cash provided (used) by operating activities | <u>1,887,999</u> | <u>(454,204)</u> | <u>1,433,795</u> |
| Cash Flows From Noncapital Financing Activities | | | |
| Transfers (to)/from other funds | - | 2,699,866 | 2,699,866 |
| Net cash provided by noncapital financing activities | <u>-</u> | <u>2,699,866</u> | <u>2,699,866</u> |
| Cash Flows From Capital and Related Financing Activities | | | |
| Gain on disposition of capital assets | 39,949 | - | 39,949 |
| Payments to acquire or construct capital assets | (640,368) | (2,391,739) | (3,032,107) |
| Principal paid on bonds | - | (37,315) | (37,315) |
| Principal paid on leases | - | (13,523) | (13,523) |
| Interest paid on capital debt | (2,707) | - | (2,707) |
| Net cash used for capital and related financing activities | <u>(603,126)</u> | <u>(2,442,577)</u> | <u>(3,085,652)</u> |
| Cash Flows From Investing Activities | | | |
| Interest received | <u>85,113</u> | <u>1,662</u> | <u>86,775</u> |
| Net cash provided by (used for) investing activities | <u>85,113</u> | <u>1,662</u> | <u>86,775</u> |
| Net increase (decrease) in cash | 1,369,986 | (195,253) | 1,174,733 |
| Cash at beginning of year | <u>5,143,627</u> | <u>62,538</u> | <u>5,206,165</u> |
| Cash at end of year | <u><u>\$ 6,513,613</u></u> | <u><u>\$ (132,715)</u></u> | <u><u>\$ 6,380,898</u></u> |
| Cash is shown in the financial statements as: | | | |
| Current assets | | | |
| Cash and cash equivalents | \$ 6,414,766 | \$ (132,715) | \$ 6,282,051 |
| Restricted assets | | | |
| Cash and cash equivalents | 98,847 | - | 98,847 |
| | <u><u>\$ 6,513,613</u></u> | <u><u>\$ (132,715)</u></u> | <u><u>\$ 6,380,898</u></u> |

(Continued)
See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2023

| | Business - type Activities | | |
|---|-----------------------------------|----------------------------|----------------------------|
| | Enterprise Funds | | |
| | <u>Landfill Enterprise</u> | <u>Utilities</u> | <u>Total</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities | | | |
| Operating Income (loss) | <u>\$ 733,221</u> | <u>\$ (884,333)</u> | <u>\$ (151,112)</u> |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | |
| Depreciation | 701,392 | 287,719 | 989,111 |
| (Increase) decrease in assets: | | | |
| Accounts receivable | 133,003 | (12,607) | 120,396 |
| Due from other governmental units | 16,340 | - | 16,340 |
| Deferred outflows of resources | (5,340) | (30,611) | (35,951) |
| Increase (decrease) in liabilities: | | | |
| Accounts payable | 81,046 | 36,218 | 117,264 |
| Accrued wages | 7,889 | 3,796 | 11,685 |
| Accrued compensated absences | 14,776 | 6,836 | 21,612 |
| Net pension liability | 279,668 | 123,870 | 403,538 |
| Deferred inflows of resources | (74,446) | - | (74,446) |
| Deposits | 450 | 14,908 | 15,358 |
| Total adjustments | <u>1,154,778</u> | <u>430,129</u> | <u>1,584,907</u> |
| Net cash provided by (used for) operating activities | <u><u>\$ 1,887,999</u></u> | <u><u>\$ (454,204)</u></u> | <u><u>\$ 1,433,795</u></u> |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

| | <u>Custodial Funds</u> |
|---------------------------------|------------------------|
| ASSETS | |
| Cash | \$ 4,301,276 |
| Accounts receivable | 2,501 |
| Due from other funds | - |
| Total assets | <u>\$ 4,303,777</u> |
| LIABILITIES | |
| Accounts payable | \$ 204 |
| Court fees payable | 464,415 |
| Due to other funds | 279,092 |
| Due to other governmental units | 2,064,843 |
| Total liabilities | <u>2,808,554</u> |
| NET POSITION | <u>\$ 1,495,223</u> |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Fiscal Year Ended September 30, 2023

| | <u>Custodial Funds</u> |
|---------------------------------------|----------------------------|
| ADDITIONS | |
| Funds held for others | \$ 8,549,943 |
| Cash bonds | 227,339 |
| Taxes collected for other governments | 64,902,726 |
| Tax Collector licenses and fees | 7,710,143 |
| Sheriff civil fees | 110,285 |
| Fines, fees and court costs | 7,961,565 |
| Total additions | <u>89,462,001</u> |
| DEDUCTIONS | |
| Funds held for others | 8,541,109 |
| Cash bonds | 356,365 |
| Fines, fees and court costs | 7,956,335 |
| Taxes and fees payable | 72,612,871 |
| Sheriff civil fees | 108,795 |
| Total deductions | <u>89,575,475</u> |
| Change in net position | (113,474) |
| Net position - beginning of year | <u>1,608,697</u> |
| Net position - end of year | <u><u>\$ 1,495,223</u></u> |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Columbia County, Florida, (the "County") is a political subdivision of the State pursuant to Article VIII, Section 1(a) of the Constitution of the State of Florida. The County is governed by the Board of County Commissioners and five elected constitutional officers (Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector) in accordance with State statutes and regulations. The constitutional officers maintain separate accounting records and budgets from the Board of County Commissioners. The Constitution of the State of Florida, Article VIII, Section 1(d) created the constitutional officers and Article VIII, Section 1(e), created the Board of County Commissioners.

The financial statements of 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 standard-setting body for governmental accounting and financial reporting principles. Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989, are not applied in the preparation of the financial statements of the proprietary fund types in accordance with GASB Statement 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the Board) and its component units. However, some component units, because of the closeness of their relationships with the Board, should be blended as though they are part of the Board. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the Board), (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 body, (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 are legally separate in order to determine which organizations, if any, should be included in the Board's special purpose financial statements. Management determined that there were no organizations that should be included in the County's financial statements as a component unit.

B. Measurement Focus and Basis of Accounting

The basic financial statements of the County are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

1. Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component unit. 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. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and agency fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement 33 - Accounting and Financial Reporting for Nonexchange Transactions.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry, if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. As applicable, the County also chooses to eliminate the indirect costs between governmental activities to avoid a "doubling up" effect.

2. Fund Financial Statements

The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental and proprietary funds are presented after the government-wide financial statements. These statements display information about major funds individually, and nonmajor funds in the aggregate for governmental and enterprise funds.

Governmental Funds

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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 75 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, 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. All other revenue items are considered to be measurable only when cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources." Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Any noncurrent portions of long-term receivables (special assessments) due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

Noncurrent portions of other long-term receivables are offset by deferred inflows of resources.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary Funds

The County's Landfill Enterprise Fund and Utilities Fund are proprietary funds. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods and services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets.

Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net assets. The County applies all GASB pronouncements as well as all FASB Statements and Interpretations, APB Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, taxes, and investment earnings, result from nonexchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

C. Basis of Presentation

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The County has used GASB 34 minimum criteria for major fund determination and has also electively disclosed funds which either had debt outstanding or specific community focus as major funds. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

1. Governmental Major Funds:

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund.

County Transportation Trust Fund - The County Transportation Trust Fund accounts for expenditures incurred for the maintenance and repairs of County roads. Financing is provided by local option fuel taxes and distributions of state shared fuel taxes and other revenues.

Municipal Services Fund - The Municipal Services Fund accounts for expenditures incurred for the solid waste collection and fire services in the unincorporated area, and other services which primarily benefit residents of the unincorporated area of the County. Financing is provided by non ad valorem assessments and other revenues derived from the unincorporated area.

Economic Development Fund - The Economic Development Fund is utilized to promote economic development in the County and to manage economic development agreements with industrial entities in the County.

American Rescue Plan Act Fund - The American Rescue Plan Act Fund is used to administer and account for funding received under the American Rescue Plan Act.

Sheriff Operating Fund - The Operating Fund of the Sheriff is used to account for all financial resources, which are generated from operations of the Office or any other resources not required to be accounted for in another fund.

Road Improvement Fund - The Road Improvement Fund accounts for the ongoing resurfacing and improvements to various roads within the County. Financing is provided by State construction grants and various transfers from other County funds.

2. Proprietary Funds:

Landfill Enterprise Fund - The Landfill Enterprise Fund accounts for the revenues, expenses, assets, and liabilities associated with the County operated solid waste disposal services.

Utilities Fund - The Utilities Fund accounts for revenues, expenses, assets and liabilities associated with the County operated water and sewer services.

D. Assets, Liabilities and Net Position or Equity

1. Cash and Cash Equivalents

The County maintains a cash pool that is available for use by most funds. Earnings from the pooled cash are allocated to the respective funds based on applicable cash participation by each fund. The cash pool is managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts. Therefore, all balances representing participants' equity in the cash pools are classified as cash and cash equivalents for financial statement purposes. In addition, longer-term investments are held by certain of the County's funds and are reported as investments on these statements.

2. Investments

Investments, consisting of investments in the Florida Local Government Surplus Funds Trust Fund and Florida Counties Investment Trust Fund and money market funds, are stated at cost which approximates market value. All such investments are secured as required by State law. Other investments of the County are stated at market value as described in note 4.

3. Allowance for Doubtful Accounts

No allowances for doubtful accounts are maintained since all fund accounts receivable are considered collectible as reported at September 30, 2023.

4. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables are shown net of an allowance for doubtful accounts. Any receivables in excess of 180 days would comprise the trade accounts receivable allowance for doubtful accounts.

5. Inventories

Inventories are valued at cost, which approximates market, using the "first-in, first-out" method of accounting. Supplies inventories of certain governmental funds are recorded as expenditures when consumed rather than when purchased.

6. Restricted Assets

Certain net position of the County is classified as restricted assets on the statement of net position because its use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributions, or laws or regulations of other governments. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

7. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, County-administered Special Revenue Funds, Capital Projects Funds, and the Enterprise Funds. Material encumbrances outstanding at year end, if any, are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

8. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to October 1, 1981, assets are recorded at historical cost. Roads and bridges constructed prior to October 1, 1981 are reported at estimated historical cost, or not reported. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The County holds legal title to the capital assets used in the operations of the Board, Clerk of the Circuit Court, Property Appraiser, Supervisor of Elections and Tax Collector, as is accountable for them under Florida Law.

The Sheriff is accountable for and thus maintains capital asset records pertaining only to equipment used in his operations.

Property, plant, and equipment of the County, as well as component units, are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|------------------------------|--------------|
| Building and improvements | 5 - 40 |
| Machinery and equipment | 3 - 12 |
| Road and bridge construction | 20 - 40 |

9. Deferred outflows/inflows of resources

An acquisition of net position by the County that is applicable to a future reporting period is required to be classified as a Deferred Inflow of Resources under Governmental Accounting Standards Board (GASB) Statement Number 65. Deferred Outflows of Resources represent a consumption of net position that applies to a future period and therefore will not be recognized as expended until then. The County reports deferred inflows and outflows of resources in compliance with GASB 68 that are related to its share of the Florida State Pension System net pension liability.

10. Net position flow assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before using unrestricted net position.

11. Fund balance flow assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balances. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

12. Program revenue

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by given function or segments and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes and other internally dedicated resources are reported as general revenues rather than as program revenues.

13. Capitalization of Interest

Interest costs related to bond issues are capitalized during the construction period. These costs are netted against applicable interest earnings on construction fund investments.

14. Unearned Revenues

Unearned revenues reported in government-wide financial statements represent revenues received, but not earned in accordance with grant or other contractual requirements. These unearned revenues reported in governmental fund financial statements represent amounts which are measurable but not available and, in accordance with the modified accrual basis of accounting, are recognized as revenue in the fiscal year in which they are earned.

15. Accrued Compensated Absences

The County accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The noncurrent portion is the amount estimated to be used in subsequent fiscal years. Both the current and noncurrent estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentation.

16. Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The County uses the “revenue reduction” approach in accounting to rebatable arbitrage. This approach treats excess earnings as a reduction of revenue. The County has no arbitrage liability outstanding as of September 30, 2023.

17. Landfill Closure Costs

Under the terms of current state and federal regulations, the County was required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of twenty years after closure. The County recognizes these costs of post-closure maintenance annually. Required obligations for closure and post-closure costs are recognized in the Landfill Fund.

18. Capital Contributions

The capital contributions from developers are reported on the statement of activities under capital grants and contributions.

19. Leases

The County is a lessee for noncancellable leases of a building and equipment. A lease liability and an intangible right-to-use asset are recognized in the government-wide financial statements. The lease liability is initially measured at the present value of the lease payments and is amortized based on the given rate over the remaining term of the lease.

Key estimates and judgements related to leases include the determination of the (1) discount rate, (2) lease term, and (3) lease payments. The County monitors changes in circumstances that would require a remeasurement of a lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position.

“Total fund balances” of the County’s governmental funds, \$84,188,161, differs from “net position” of governmental activities, \$149,727,393, reported in the statement of net position. This difference primarily results from the long-term economical focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

Capital related items

When capital assets (property, plant, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net position included those capital assets among the assets of the County as a whole.

| | |
|--------------------------|-----------------------|
| Cost of capital assets | \$ 341,204,460 |
| Accumulated depreciation | <u>(213,735,349)</u> |
| Total | <u>\$ 127,469,111</u> |

Long-term debt transactions

Long-term liabilities applicable to the County’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances at September 30, 2023, were:

| | |
|------------------------------|------------------------|
| Notes payable | \$ (13,922,953) |
| Accrued interest | (19,300) |
| Accrued compensated absences | (3,379,793) |
| Leases payable | (3,833,834) |
| OPEB liability | (207,448) |
| Net pension liability | <u>(51,123,498)</u> |
| Total | <u>\$ (72,486,826)</u> |

Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net position in a future period while deferred inflows of resources represent an acquisition of net position in a future period and accordingly, are not reported in the governmental fund statements. However, the statement of net position includes those deferred outflows /inflows of resources.

| | |
|--------------------------------|----------------------|
| Deferred outflows of resources | \$ 13,993,636 |
| Deferred inflows of resources | <u>(3,436,689)</u> |
| | <u>\$ 10,556,947</u> |

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

| | Total Governmental Funds | Capital Related Items | Long-Term Debt Transactions | Deferred Outflows/Inflows of Resources | Statement of Net Position |
|---|---|--------------------------------------|--|---|--|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 63,453,620 | \$ - | \$ - | \$ - | \$ 63,453,620 |
| Accounts receivable - net | 105,333 | - | - | - | 105,333 |
| Due from other funds | 7,609,798 | - | - | - | 7,609,798 |
| Due from other governmental units | 2,801,425 | - | - | - | 2,801,425 |
| Investments | 23,379,135 | - | - | - | 23,379,135 |
| Inventories | 58,089 | - | - | - | 58,089 |
| Prepaid expense | 260,220 | - | - | - | 260,220 |
| Other current assets | 3,000 | - | - | - | 3,000 |
| Capital assets - net | - | 127,469,111 | - | - | 127,469,111 |
| Total assets | 97,670,620 | 127,469,111 | - | - | 225,139,731 |
| DEFERRED OUTFLOWS OF RESOURCES | - | - | - | 13,993,636 | 13,993,636 |
| LIABILITIES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 2,366,882 | \$ - | \$ - | \$ - | \$ 2,366,882 |
| Due to other funds | 5,135,294 | - | - | - | 5,135,294 |
| Due to other governmental units | 208,587 | - | - | - | 208,587 |
| Accrued wages | 1,854,369 | - | - | - | 1,854,369 |
| Deposits | 9,939 | - | - | - | 9,939 |
| Other current liabilities | 33,712 | - | - | - | 33,712 |
| Unearned revenues | 3,900,068 | - | - | - | 3,900,068 |
| Accrued interest | - | - | 19,300 | - | 19,300 |
| Accrued compensated absences | - | - | 3,379,793 | - | 3,379,793 |
| Capital leases payable | - | - | 533,739 | - | 533,739 |
| Leases payable | - | - | 3,300,095 | - | 3,300,095 |
| Revenue bonds payable | - | - | 13,922,953 | - | 13,922,953 |
| OPEB liability | - | - | 207,448 | - | 207,448 |
| County's proportionate share FRS pension plan | - | - | 51,123,498 | - | 51,123,498 |
| Total liabilities | 13,508,851 | - | 72,486,826 | - | 85,995,677 |
| DEFERRED INFLOW OF RESOURCES | - | - | - | 3,436,689 | 3,436,689 |
| Fund balances/net position | \$ 84,161,769 | \$ 127,469,111 | \$ (72,486,826) | \$ 10,556,947 | \$ 149,701,001 |

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL

B. Explanation of Differences Between Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for governmental funds \$12,072,799 differs from the “change in net position” for governmental activities (\$4,157,144) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charged for the year. The statement of activities reports gains or losses arising from the disposition of capital assets. Conversely, governmental funds do not report these gains or losses.

| | |
|------------------------------------|-----------------------|
| Capital outlay and other additions | \$ 6,699,060 |
| Depreciation expense | (9,413,989) |
| Other additions and deletions | (850,075) |
| Difference | <u>\$ (3,565,004)</u> |

Repayments of debt principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities. Loan proceeds and lease financings are reported as other financing sources in the governmental funds but are recorded as liabilities in the statement of net position and do not result in resources in the statement of activities.

| | |
|--------------------|-----------------------|
| Principal payments | \$ 2,478,445 |
| Lease additions | (2,933,306) |
| Lease terminations | 844,440 |
| Note financing | (5,665,165) |
| | <u>\$ (5,275,586)</u> |

Some revenues and expenses reported in the statement of activities do not require the use of or provide current financial resources, therefore, are not reported as expenditures in governmental funds.

| | |
|--|-----------------------|
| Net change in compensated absences | \$ (346,576) |
| Net change in accrued interest | 55,306 |
| Net change in net pension liability | (10,908,910) |
| Net change deferred outflows/inflows | 3,815,977 |
| Net change in fund balance in OPEB liability | (5,148) |
| | <u>\$ (7,389,351)</u> |

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

B. Explanation of Differences Between Government Fund Operating Statements and the Statement of Activities

| | Total Governmental Funds | Capital Related Items | Long-term Debt Transactions | Compensated Absences | Accrued Interest | Net Pension Liability | Pension Deferred Outflows/ Inflows of Resources | OPEB Deferred Outflows/ Inflows of Resources | OPEB Liability | Statement of Activities |
|---|--------------------------------|-----------------------------|-----------------------------------|-------------------------|---------------------|--------------------------|---|--|-------------------|-------------------------------|
| REVENUES | | | | | | | | | | |
| Taxes | \$ 46,602,134 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 46,602,134 |
| Licenses and permits | 12,166,108 | - | - | - | - | - | - | - | - | 12,166,108 |
| Intergovernmental | 22,955,109 | - | - | - | - | - | - | - | - | 22,955,109 |
| Charges for services | 7,988,976 | - | - | - | - | - | - | - | - | 7,988,976 |
| Fines and forfeitures | 356,653 | - | - | - | - | - | - | - | - | 356,653 |
| Interest | 1,757,633 | - | - | - | - | - | - | - | - | 1,757,633 |
| Miscellaneous | 1,451,569 | - | - | - | - | - | - | - | - | 1,451,569 |
| Total revenues | 93,278,182 | - | - | - | - | - | - | - | - | 93,278,182 |
| EXPENDITURES | | | | | | | | | | |
| Current Expenditures | | | | | | | | | | |
| General government | 14,510,051 | 812,266 | - | 120,102 | - | 2,035,920 | (710,291) | (10,070) | 5,148 | 16,763,126 |
| Public safety | 32,349,567 | 2,929,615 | - | 123,167 | - | 2,590,233 | (903,682) | - | - | 37,088,900 |
| Physical environment | 6,100,186 | 579,619 | - | 16,643 | - | 242,589 | (84,635) | - | - | 6,854,402 |
| Transportation | 12,949,723 | 4,584,219 | - | 73,838 | (55,306) | 885,696 | (309,002) | - | - | 18,129,168 |
| Economic environment | 3,356,375 | 27,259 | - | (452) | - | 77,591 | (27,070) | - | - | 3,433,703 |
| Human services | 3,675,230 | 74,568 | - | - | - | 18,444 | (6,435) | - | - | 3,761,807 |
| Culture/recreation | 2,556,818 | - | - | 13,278 | - | 262,003 | (91,408) | - | - | 2,740,691 |
| Court related | 2,287,726 | 406,443 | - | - | - | 4,796,434 | (1,673,382) | - | - | 5,817,221 |
| Capital Outlay | | | | | | | | | | |
| General government | 1,081,114 | (1,081,114) | - | - | - | - | - | - | - | - |
| Public safety | 2,210,536 | (2,210,536) | - | - | - | - | - | - | - | - |
| Physical environment | 98,202 | (98,202) | - | - | - | - | - | - | - | - |
| Transportation | 2,821,094 | (2,821,094) | - | - | - | - | - | - | - | - |
| Economic environment | 8,290 | (8,290) | - | - | - | - | - | - | - | - |
| Human service | 18,834 | (18,834) | - | - | - | - | - | - | - | - |
| Culture/recreation | 458,251 | (458,251) | - | - | - | - | - | - | - | - |
| Court related | 2,739 | (2,739) | - | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | | | |
| Principal | 2,478,445 | - | (2,478,445) | - | - | - | - | - | - | - |
| Interest | 376,319 | - | - | - | - | - | - | - | - | 376,319 |
| Total expenditures | 87,339,500 | 2,714,929 | (2,478,445) | 346,576 | (55,306) | 10,908,910 | (3,805,905) | (10,070) | 5,148 | 94,965,337 |
| Excess of revenues over (under) expenditures | 5,938,682 | (2,714,929) | 2,478,445 | (346,576) | 55,306 | (10,908,910) | 3,805,905 | 10,070 | (5,148) | (1,687,155) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Gain/loss on disposition of fixed assets | 209,120 | (840,332) | 844,440 | - | - | - | - | - | - | 213,228 |
| Lease Proceeds | 2,933,306 | - | (2,933,306) | - | - | - | - | - | - | - |
| Debt proceeds | 5,665,165 | - | (5,665,165) | - | - | - | - | - | - | - |
| Transfers in | 36,083,273 | - | - | - | - | - | - | - | - | 36,083,273 |
| Transfers out | (38,783,139) | (9,743) | - | - | - | - | - | - | - | (38,792,882) |
| Total other financing sources (uses) | 6,107,725 | (850,075) | (7,754,031) | - | - | - | - | - | - | (2,496,381) |
| Net change in fund balances | 12,046,407 | (3,565,004) | (5,275,586) | (346,576) | 55,306 | (10,908,910) | 3,805,905 | 10,070 | (5,148) | (4,183,536) |
| Fund balances at beginning of year | 72,115,362 | 131,034,115 | (12,481,201) | (3,033,217) | (74,606) | (40,214,588) | 6,827,591 | (86,619) | (202,300) | 153,884,537 |
| Fund balances/net position at end of year | \$ 84,161,769 | \$ 127,469,111 | \$ (17,756,787) | \$ (3,379,793) | \$ (19,300) | \$ (51,123,498) | \$ 10,633,496 | \$ (76,549) | \$ (207,448) | \$ 149,701,001 |

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The County uses the following procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to September 15, the County Manager serving as Budget Officer submits to the Board of County Commissioners a tentative budget for the fiscal year commencing October 1.
2. Public hearings are conducted by the Board of County Commissioners to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the Board of County Commissioners.
4. The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the *Florida Statutes*.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser, which are classified as separate special revenue funds.
6. The Board of County Commissioners is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund; or appropriate for the special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2023, are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. The Enterprise Funds budgets are adopted on the accrual basis.
9. Legal control of the budget is exercised pursuant to applicable provisions of *Florida Statutes*.
10. Appropriations for the County lapse at the close of the fiscal year.
11. The following is a comparison of the appropriations to total expenses for the proprietary funds for the fiscal year ended September 30, 2023.

| | Appropriations | Expenses and Asset Acquisitions | Variance Positive (Negative) |
|-------------------------|----------------------|------------------------------------|------------------------------------|
| Enterprise funds | | | |
| Landfill enterprise | | | |
| Expenditures | \$ 3,319,846 | \$ 3,030,619 | \$ 289,227 |
| Fixed asset acquisition | 909,941 | 759,297 | 150,644 |
| | <u>\$ 4,229,787</u> | <u>\$ 3,789,916</u> | <u>\$ 439,871</u> |
| Utilities | | | |
| Expenditures | \$ 991,504 | \$ 1,062,106 | \$ (70,602) |
| Fixed asset acquisition | 27,369,866 | 15,393,979 | 11,975,887 |
| | <u>\$ 28,361,370</u> | <u>\$ 16,456,085</u> | <u>\$ 11,905,285</u> |

NOTE 4. CASH, CASH EQUIVALENTS AND INVESTMENTS

The County maintains a cash pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions.

1. Deposits

At September 30, 2023, the carrying amount of the County's cash deposits was \$ 68,680,545. All cash deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

2. Investments

As of September 30, 2023, the County had the following investments:

| Investment | Weighted Average Maturity | Value | Percent | Category |
|---|------------------------------|---------------|----------------|----------|
| U.S. Treasuries | 2.95 Years | \$ 31,509,146 | 82.27% | N/A |
| Certificates of Deposit, Money Market | Daily - 3 Years | 6,461,486 | 16.87% | N/A |
| State Board of Administration Local Government | | | | |
| Local Government Surplus Trust Fund Florida PRIME | .06 Years | 42,124 | 0.10% | AAAm |
| Florida Local Government Day to Day Fund | .08 Years | 285,073 | 0.74% | AAAm |
| Total Investments | | \$ 38,297,829 | <u>100.00%</u> | |

Fair Value Measurement

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets, as determined by the County's investment advisors. 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. The County's fair value measurements for U.S. Treasuries is categorized as Level 2 and are valued by the County's

custodian agency using independent pricing services. The pricing services may use valuation models or matrix pricing, which consider benchmark yields, reported trades, broker/dealer quotes, benchmark securities, bids or offers, and reference data. Florida PRIME is valued at amortized cost. There are no restrictions or limitations on withdrawals, however, Florida PRIME may, on the occurrence of an event that has material impact on liquidity or operations, impose restrictions on withdrawals for up to 48 hours. The County's investment in the Florida Trust Day to Day Fund, an external local government investment pool, organized under the laws of the State of Florida, is presented at Net Asset Value (NAV), which reflects fair value. The objectives of the Florida Trust are to generate investment income while maintaining safety and liquidity. There were no unfunded commitments as of September 30, 2023. Investments may be redeemed weekly/daily based on similar investments of other clients.

Credit Risk

The County mitigates credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Florida Statutes, and various bond covenants authorize investments in certificates of deposit, money market accounts and savings accounts provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280 Florida Statutes; repurchase agreements guaranteed by the United States Government; the Local Government Surplus Funds Trust Fund, obligations by the Florida State Board of Administration, Florida Local Government Investment Trust Fund, obligations of the U.S. Government, obligations of government agencies unconditionally guaranteed by the U.S. Government, obligations of the Federal Home Loan Mortgage Corporation, including Federal Home Mortgage Corporation participation certificates, obligations of the Federal Home Loan Bank, obligations of the Government National Mortgage Association, obligations of the Federal National Mortgage Association and Securities of any management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., provided the portfolio is limited to U.S. Government obligations and to repurchase agreements fully collateralized by U.S. Government obligations. The Board invested only in these types of instruments during the fiscal year.

Custodial Credit Risk of Deposits

There is a risk that in the event of failure of the depository financial institution, the government will not be able to recover the deposits. All cash resources of the County are placed in banks which are qualified public depositories, as required by the Florida Security for Public Deposits Act. Every qualified public depository is required by this law to deposit with the State Treasurer eligible collateral equal to, or in excess of, an amount to be determined by the State Treasurer. The State Treasurer is required to ensure that the County's funds are entirely collateralized throughout the fiscal year. In the event of failure by a qualified public depository, losses in excess of federal depository insurance and proceed from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis. The Board's investment policy pursuant to Section 218.415 (18), Florida Statutes requires securities to be registered and shall be held with a third party custodian and all securities purchased by, and all collateral obtained by, the Board shall be held in the name of the Board. The securities must be held in an account separate and apart from the assets of the financial institution. As of September 30, 2023, the

Board's investment portfolio in U.S. Treasuries, was held by Ramond James, money market funds were held by Millennium Bank and the Florida Trust Day to Day Fund was held by UMB Bank.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's investment policy to minimize interest rate risk is by structuring the investment portfolio so that sufficient investments are readily convertible to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment on a deposit. The County does not hold foreign or foreign currency investments and therefore is not subject to foreign currency risk.

Concentrations of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The implementation of GASB Statement No. 40 requires the disclosure of investments in any one issuer that represent 5% or more of total investments. The County invested funds only in the United States Treasuries and in deposits with banks that pledged sufficient collateral with the State of Florida.

NOTE 5. PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2021-2023 fiscal year were levied in October 2021. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023 was as follows:

| | Beginning Balance | Interfund Transfers | Additions | Reclassifications/ Adjustments | Deletions | Balance |
|---|----------------------|------------------------|----------------|-----------------------------------|--------------|----------------|
| Governmental Activities: | | | | | | |
| Capital Assets not being depreciated: | | | | | | |
| Land | \$ 13,496,856 | \$ - | \$ 129,000 | \$ - | \$ - | \$ 13,625,856 |
| Land Interests | 1,519,600 | - | - | - | - | 1,519,600 |
| Construction in progress | 9,943,067 | - | 1,412,615 | (8,993,861) | - | 2,361,821 |
| Sheriff construction in progress | - | - | - | - | - | - |
| Total capital assets not being depreciated: | 24,959,523 | - | 1,541,615 | (8,993,861) | - | 17,507,277 |
| Capital Assets being depreciated: | | | | | | |
| Buildings | 68,752,494 | - | - | 148,836 | - | 68,901,330 |
| Improvements other than buildings | 16,950,297 | - | 92,738 | 8,845,025 | - | 25,888,060 |
| Road Improvements | 189,659,187 | - | - | - | - | 189,659,187 |
| Equipment | 23,780,701 | (39,117) | 1,066,823 | - | (1,661,056) | 23,147,351 |
| Sheriff capital assets | 10,812,449 | - | 1,064,578 | - | (639,037) | 11,237,990 |
| Total capital assets being depreciated: | 309,955,128 | (39,117) | 2,224,139 | 8,993,861 | (2,300,093) | 318,833,918 |
| Accumulated depreciation Board | (196,212,047) | 29,374 | (7,946,817) | - | 843,954 | (203,285,537) |
| Accumulated depreciation Sheriff | (8,942,548) | - | (911,902) | - | 615,807 | (9,238,643) |
| Total accumulated depreciation: | (205,154,595) | 29,374 | (8,858,719) | - | 1,459,761 | (212,524,180) |
| Capital assets being depreciated, net: | \$ 104,800,532 | \$ (9,743) | \$ (6,634,580) | \$ 8,993,861 | \$ (840,332) | \$ 106,309,738 |

| | Beginning Balance | Interfund Transfers | Additions | Reclassifications/ Adjustments | Deletions | Balance |
|--|----------------------|------------------------|----------------|-----------------------------------|--------------|----------------|
| Lease assets, being amortized: | | | | | | |
| Buildings | \$ 1,412,315 | \$ - | \$ - | \$ - | \$ - | \$ 1,412,315 |
| Equipment | 335,589 | - | 2,933,306 | - | - | 3,268,895 |
| Sheriff equipment | 182,055 | - | - | - | - | 182,055 |
| Less accumulated amortization | (655,899) | - | (555,270) | - | - | (1,211,169) |
| Total lease assets, being amortized, net: | 1,274,060 | - | 2,378,036 | - | - | 3,652,096 |
| Governmental activities capital assets, net: | \$ 131,034,115 | \$ (9,743) | \$ (2,714,929) | \$ - | \$ (840,332) | \$ 127,469,111 |
| Business-type activities: | | | | | | |
| Capital Assets not being depreciated: | | | | | | |
| Land | \$ 2,087,118 | \$ - | \$ - | \$ - | \$ - | \$ 2,087,118 |
| Construction in progress | 2,483,064 | - | 15,337,230 | - | - | 17,820,294 |
| Total capital assets not being depreciated: | 4,570,182 | - | 15,337,230 | - | - | 19,907,412 |
| Capital Assets being depreciated: | | | | | | |
| Equipment | 4,822,952 | 39,117 | 629,578 | - | - | 5,491,647 |
| Buildings | 639,714 | - | - | - | (131,200) | 508,514 |
| Improvements | 17,987,076 | - | - | - | (70,022) | 17,917,054 |
| Total capital assets being depreciated: | 23,449,742 | 39,117 | 629,578 | - | (201,222) | 23,917,215 |
| Less accumulated depreciation | (14,956,815) | (29,374) | (977,972) | - | 201,222 | (15,762,939) |
| Total capital assets being depreciated, net: | 8,492,927 | 9,743 | (348,394) | - | - | 8,154,276 |
| Lease assets, being amortized: | | | | | | |
| Equipment | 8,592 | - | 186,468 | - | - | 195,060 |
| Less accumulated amortization | (4,791) | - | (11,139) | - | - | (15,930) |
| Total lease assets, being amortized, net: | 3,801 | - | 175,329 | - | - | 179,130 |
| Business-type activities capital assets, net: | \$ 13,066,910 | \$ 9,743 | \$ 15,164,165 | \$ - | \$ - | \$ 28,240,818 |

Governmental activities:

| | |
|--|---------------------|
| General government | \$ 812,266 |
| Public safety | 2,929,615 |
| Physical environment | 579,619 |
| Transportation | 4,584,219 |
| Economic environment | 27,259 |
| Human services | 74,568 |
| Court related | 406,443 |
| Total depreciation/amortization | \$ 9,413,989 |

Business- type activities:

| | |
|--|-------------------|
| Landfill enterprise | \$ 701,392 |
| Utilities enterprise | 287,719 |
| Total depreciation/amortization | \$ 989,111 |

NOTE 7. INTERFUND RECEIVABLES/PAYABLES

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided and reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

| | Interfund Receivables | Interfund Payables |
|-----------------------------------|--------------------------|-----------------------|
| General fund | \$ 6,867,484 | \$ - |
| Special revenue funds: | | |
| Municipal services benefit unit | 482,839 | - |
| Economic Development | - | 1,536,674 |
| American Rescue Plan | - | 3,037,918 |
| American Rescue Plan | | |
| Court Service | 11,536 | - |
| Sheriff: | | |
| Operating | 3,984 | 172,258 |
| Sheriff Inmate Welfare | 35,037 | 11 |
| Clerk of Courts: | | |
| Operating | 150,020 | - |
| Public records modernization | 11,525 | - |
| Teen court | 801 | - |
| Supervisor of Elections operating | - | 107,548 |
| Tax Collector operating | 46,572 | 205,298 |
| Property Appraiser operating | | 75,587 |
| Custodial funds: | | |
| Clerk of Circuit Court | | |
| Trust | - | 187,515 |
| Jury witness | - | - |
| Sheriff | | |
| Inmate trust | - | 39,009 |
| Individutal depositors | | 5,996 |
| Tax Collector | | |
| Ad valorem tax | - | 46,572 |
| Enterprise Fund: | | |
| Landfill | - | - |
| Utilities | - | 2,195,412 |
| Totals | <u>\$ 7,609,798</u> | <u>\$ 7,609,798</u> |

The amounts payable to the General Fund include working capital loans to the Utilities Fund of \$1,712,573. None of the balance is scheduled to be collected in the subsequent year.

NOTE 8. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2023, consisted of the following:

Transfers are used to 1) move revenues from the fund that state law requires to collect them to the fund that state law requires to expend them, 2) provide matching funds for grants, 3) use unrestricted general fund revenues to finance transportation activities which must be accounted for in another fund, and 4) fund Constitutional Officer operations.

Transfers from General Fund to:

| | |
|--|------------|
| Clerk of Courts Operating Fund | \$ 542,084 |
| Property Appraiser Operating Fund | 2,028,947 |
| Supervisor of Elections Operating Fund | 1,255,495 |
| Sheriff Operating | 19,550,599 |
| Sheriff Contruction | 126,891 |
| Capital Projects Fund | 300,940 |
| Utilities Fund | 2,049,866 |

Transfers from the Road Improvement Fund to:

| | |
|-----------------------|-----------|
| Capital Projects Fund | 5,000,000 |
|-----------------------|-----------|

Transfers from the Jail Construction Fund to:

| | |
|-----------------------|---------|
| Capital Projects Fund | 600,000 |
|-----------------------|---------|

Transfers from the General Capital Projects Fund to:

| | |
|--------------|---------|
| General Fund | 300,000 |
|--------------|---------|

Transfer from Tourist Development Operating Fund to:

| | |
|-----------------------|---------|
| General Fund | 310,000 |
| Capital Projects Fund | 120,000 |

Transfer from Municipal Services Fund to:

| | |
|-----------------------|-----------|
| Capital Projects Fund | 1,500,000 |
|-----------------------|-----------|

Transfer from Economic Development Debt Service Fund to:

| | |
|----------------|---------|
| Utilities Fund | 650,000 |
|----------------|---------|

Transfers from the Transporatation Fund to:

| | |
|-----------------------|-----------|
| Capital Projects Fund | 4,000,000 |
|-----------------------|-----------|

Transfers from the Sheriff ESAC Fund to:

| | |
|---------------------|---------|
| Sheriff Contruction | 240,019 |
|---------------------|---------|

Transfers from the Tax Collector Operating Fund to:

| | |
|--------------|---------|
| General Fund | 205,298 |
|--------------|---------|

Transfers from the Paving Assement Fund to:

| | |
|----------------------|-------|
| Transportation Trust | 3,000 |
|----------------------|-------|

| | |
|------------------------|----------------------|
| Total transfers | \$ 38,783,139 |
|------------------------|----------------------|

NOTE 9. RECEIVABLE AND PAYABLE BALANCES**Accounts Receivable and Due from Other Governmental Units**

Receivables for accounts and from other governmental units, at September 30, 2023, were as follows:

| | Accounts | Due from Other Governmental Units | Total Receivables |
|--------------------------------------|-------------------|--|----------------------|
| Governmental activities: | | | |
| General | \$ 359 | \$ 1,101,549 | \$ 1,101,908 |
| County transportation trust | - | 294,373 | 294,373 |
| Municipal services | - | 14,302 | 14,302 |
| Economic development | - | 72,336 | 72,336 |
| Sheriff operating | 79,573 | 44,090 | 123,663 |
| Road improvements | - | 133,807 | 133,807 |
| Other governmental | 25,401 | 1,140,968 | 1,166,369 |
| Total governmental activities | \$ 105,333 | \$ 2,801,425 | \$ 2,906,758 |
| Business-type activities: | | | |
| Landfill enterprise, net | \$ 433,920 | \$ - | \$ 433,920 |
| Utilities | 55,328 | 3,000 | 58,328 |
| Landfill enterprise | \$ 489,248 | \$ 3,000 | \$ 492,248 |

The Board, upon past collection experience, considers all of the receivables of governmental activities to be fully collectible and has not recorded an allowance for doubtful accounts.

Payables at September 30, 2023, were as follows:

| | Vendors | Due to Other Governmental Units | Total Payables |
|--------------------------------------|---------------------|--|---------------------|
| Governmental activities: | | | |
| General | \$ 688,418 | \$ - | \$ 688,418 |
| County transportation trust | 170,746 | - | 170,746 |
| Municipal services | 227,119 | 17,129 | 244,248 |
| Economic development | 73,856 | - | 73,856 |
| Sheriff operating | 333,435 | - | 333,435 |
| Tax collector operating | - | 6,262 | 6,262 |
| Road improvements | 382,692 | - | 382,692 |
| Other governmental | 490,616 | 185,196 | 675,812 |
| Total governmental activities | \$ 2,366,882 | \$ 208,587 | \$ 2,575,469 |
| Business-type activities: | | | |
| Landfill enterprise, net | \$ 134,178 | \$ - | \$ 134,178 |
| Utilities | 1,972,333 | - | 1,972,333 |
| Landfill enterprise | \$ 2,106,511 | \$ - | \$ 2,106,511 |

NOTE 10. LONG-TERM LIABILITIES

Governmental Activities

Revenue Notes

- A. On July 12, 2016 the County closed on a Gas Tax Revenue Refunding Note, Series 2016, totaling \$6,000,000 with Hancock Bank. The purpose of this issuance was to refund debt and to finance certain additional transportation improvements. The first two cents of the County's local option gas tax imposed pursuant to Section 336.025, Florida Statutes, was pledged to secure payment of the principal and interest and is the source of repayment. The note is being repaid over ten years with an interest rate of 1.50%. If default occurred on this note, the pledged collateral would be accessed for repayment. The following is a schedule of future principal and interest to be paid on the note:

| Year Ending September 30 | Principal | Interest | Total |
|-----------------------------|---------------------|------------------|---------------------|
| 2024 | 624,000 | 22,602 | 646,602 |
| 2025 | 634,000 | 13,182 | 647,182 |
| 2026 | 482,000 | 3,620 | 485,620 |
| Total | <u>\$ 1,740,000</u> | <u>\$ 39,404</u> | <u>\$ 1,779,404</u> |

- B. On June 8, 2016 the County closed on a Capital Improvement Revenue Refunding Note, Series 2016, totaling \$3,515,370 with First Federal Bank. The purpose of this issuance was to refund the County's Revenue Bond Series 2008A. The County's Sales Tax Revenue is pledged to secure the note and is the source of repayment. If default occurred on this note, the pledged collateral would be accessed for repayment. The note is being repaid over ten years with an interest rate of 1.749%. The following is a schedule of future principal and interest to be paid on the note:

| Year Ending September 30 | Principal | Interest | Total |
|-----------------------------|---------------------|------------------|---------------------|
| 2024 | 323,871 | 17,015 | 340,886 |
| 2025 | 329,623 | 11,391 | 341,014 |
| 2026 | 335,426 | 5,668 | 341,094 |
| 2027 | 116,203 | 730 | 116,933 |
| Total | <u>\$ 1,105,123</u> | <u>\$ 34,804</u> | <u>\$ 1,139,927</u> |

- C. On December 15, 2017 the County closed on a Capital Improvement Revenue Note, totaling \$8,060,000 with JPMorgan Chase Bank, N.A. The purpose of this issuance was to finance the cost of capital improvements within the County. The County's Communication Services Tax revenues are pledged to secure the note and are the source of repayment. If default occurred on this note, the pledged collateral would be accessed for repayment. The note is being repaid over fifteen years with an interest rate of 2.28%. The balance owed on the note at year end was \$5,412,665. The following is a schedule of future principal and interest to be paid on the note:

| | | | |
|-------|---------------------|-------------------|---------------------|
| 2024 | 516,431 | 120,483 | 636,914 |
| 2025 | 528,273 | 108,641 | 636,914 |
| 2026 | 540,387 | 96,527 | 636,914 |
| 2027 | 552,778 | 84,136 | 636,914 |
| 2028 | 565,453 | 71,461 | 636,914 |
| 2029 | 578,419 | 58,495 | 636,914 |
| 2030 | 591,682 | 45,232 | 636,914 |
| 2031 | 605,249 | 31,665 | 636,914 |
| 2032 | 619,127 | 17,787 | 636,914 |
| 2033 | 314,866 | 3,589 | 318,455 |
| Total | <u>\$ 5,412,665</u> | <u>\$ 638,016</u> | <u>\$ 6,050,681</u> |

- D.** On January 24th, 2023 the County closed on Resolution No. 2023-02 Revenue Note, totaling \$5,675,000 with First Federal Bank. The purpose of this issuance was to finance the cost of capital improvements within the County. The County's Non-Ad Valorem revenues are pledged to secure the note and are the source of repayment. If default occurred on this note, the pledged collateral would be accessed for repayment. The is being repaid over fifteen years with and interest rate of 3.95%. The balance owed on the note at year end was \$5,66,165. The following is a schedule of future principal and interest to be paid on the note:

| Year Ending September 30 | Principal | Interest | Total |
|-----------------------------|---------------------|---------------------|---------------------|
| 2027 | \$ 419,423 | \$ 223,774 | \$ 643,197 |
| 2028 | 436,324 | 207,207 | 643,531 |
| 2029 | 453,906 | 189,972 | 643,878 |
| 2030 | 472,196 | 172,043 | 644,239 |
| 2031 | 491,224 | 153,391 | 644,615 |
| There after | 3,392,092 | 484,380 | 3,876,472 |
| Total | <u>\$ 5,665,165</u> | <u>\$ 1,430,767</u> | <u>\$ 7,095,932</u> |

Capital Leases

The County has the following installment payment agreements for equipment purchases:

- A.** Purchase of four motor graders costing \$913,240. The terms of the agreement call for five annual payments of \$105,020, beginning August 6, 2018, which ended in the year ending September 30, 2023.
- B.** Purchase of three motor graders costing \$616,136. The terms of the agreement call for five annual payments of \$77,707, beginning August 9, 2018, which ended in the year

ending September 30, 2023.

- C. Purchase of four motor grader costing \$922,361. The terms of the agreement call for five annual payment of \$115,218, beginning August 6, 2019. These payments include interest of 3.5%.

These agreements are collateralized by the related equipment. Equipment purchased with these leases totaled \$2,529,444. Accumulated depreciation on the equipment at September 30, 2023 was \$895,902.

The following is a schedule of the future total minimum lease payments under these capital leases, and the present value of the net minimum lease payments at September 30, 2023:

| Year Ending September 30 | Principal | Interest | Total |
|-----------------------------|------------|-----------|------------|
| 2024 | 93,162 | 17,015 | 110,177 |
| 2025 | 96,423 | 11,391 | 107,814 |
| 2026 | 344,154 | 5,668 | 349,822 |
| Total | \$ 533,739 | \$ 34,074 | \$ 567,813 |

B. Business-type Activities

Loan Payable

FDEP - On July 14, 2004, the County entered into a loan agreement , number WW 74202P, with the State of Florida Department of Environmental Protection (FDEP) for State Revolving Fund financial assistance for a wastewater treatment system at the I-75 exit 80 area (Ellisville). The terms of this agreement call for a total loan amount of \$755,809 and was \$536,867 when fully disbursed. The loan is payable in one initial payment of \$24,345 and thirty-nine subsequent semi-annual payments of \$17,906 including interest at 1.045%, beginning July 15, 2011. At September 30, 2023, the loan balance was \$277,824.

Also, in conjunction with the project, the County entered into an additional loan with the FDEP (loan number DW 120101 in the amount of \$906,797. This loan is payable in forty semi-annual payments of \$43,070 including interest at 2.65%, beginning on January 15, 2011. At September 30, 2023, the balance of the loan was \$174,834.

In the 2011 fiscal year, the County received an additional loan from FDEP (loan number DW 120400) in the amount of \$1,360,903, of which \$1,156,768 in principal was forgiven. This loan is payable in forty semi-annual payments of \$6,784 including interest at 2.71%, beginning August 15, 2011. At September 30, 2023, the balance of the loan was \$91,267.

All of these loans are subject to future amendments as to principal amounts, and semi-annual payment amounts and payment inception dates. The following is a schedule of loan payments required under the agreements. Payments are made from associated fund revenue.

The loans are secured by the revenues generated by the projects. In the event of default, the State may by action or suit require a full accounting, apply to a court of competent jurisdiction to appoint

a receiver, sue for payment of amounts due, intercept the delinquent amount plus a penalty from unobligated funds due to the County under any revenue or tax sharing fund (except as provided by the State Constitution), and impose a penalty, accelerate repayment or increase the financing rate.

The following is a schedule of the balances due on these loans at September 30, 2023:

| Year Ending September 30 | DEP DW120400 | DEP WW74202 | DEP DW12101 | INTEREST | TOTAL |
|-----------------------------|-----------------|----------------|----------------|-----------|------------|
| 2024 | 10,982 | 30,846 | 23,286 | 10,170 | 75,284 |
| 2025 | 11,282 | 31,488 | 24,271 | 8,252 | 75,293 |
| 2026 | 11,746 | 32,143 | 24,922 | 6,961 | 75,772 |
| 2027 | 12,067 | 32,812 | 25,590 | 5,638 | 76,107 |
| 2028 | 12,396 | 33,495 | 26,277 | 4,964 | 77,132 |
| THEREAFTER | 32,491 | 114,193 | 54,888 | 6,503 | 208,075 |
| Total | \$ 90,964 | \$ 274,977 | \$ 179,234 | \$ 42,488 | \$ 587,663 |

D. Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2023, was as follows:

| | Prior Year Balance | Additions | Deletions | Current Year Ending Balance | Due Within One Year | Accrued Interest Payable |
|---|-----------------------|---------------|----------------|-----------------------------------|------------------------|--------------------------------|
| <i>Governmental activities:</i> | | | | | | |
| <i>Direct Borrowings:</i> | | | | | | |
| Hancock Bank Gas Tax Revenue Note Series 2016 | \$ 2,355,000 | \$ - | \$ (615,000) | \$ 1,740,000 | \$ 624,000 | \$ - |
| First Federal Bank Revenue Note Series 2016 | 1,425,613 | - | (320,490) | 1,105,123 | 323,871 | - |
| Chase Bank Revenue Note | 5,917,520 | - | (504,855) | 5,412,665 | 516,431 | - |
| First Federal Bank Revenue Note Series 2023 | - | 5,665,165 | - | 5,665,165 | - | - |
| | 9,698,133 | 5,665,165 | (1,440,345) | 13,922,953 | 1,464,302 | - |
| <i>Capital Leases Payable:</i> | | | | | | |
| Ring Investments Y9C00254 | 157,541 | - | (24,106) | 133,435 | 24,106 | 4,825 |
| Ring Investments Y9C00263 | 157,540 | - | (24,106) | 133,434 | 24,106 | 4,825 |
| Ring Investments Y9C00264 | 157,541 | - | (24,106) | 133,435 | 24,106 | 4,825 |
| Ring Investments Y9C00265 | 157,541 | - | (24,106) | 133,435 | 24,106 | 4,825 |
| Beard Equipment Co. 620GXT84108 | 122,039 | - | (122,039) | - | - | - |
| Beard Equipment Co. 620GXT81416 | 122,039 | - | (122,039) | - | - | - |
| John Deere Financial 620G 689381 | 122,039 | - | (122,039) | - | - | - |
| John Deere Financial 620G 689381 | 119,581 | - | (119,581) | - | - | - |
| John Deere Financial 620G 689588 | 119,580 | - | (119,580) | - | - | - |
| John Deere Financial 620G 689278 | 119,581 | - | (119,581) | - | - | - |
| John Deere Financial 620G 689383 | 119,581 | - | (119,581) | - | - | - |
| | 1,474,603 | - | (940,864) | 533,739 | 96,424 | 19,300 |
| | | | | | | 19,300 |
| Leases liabilities | 1,308,465 | 2,933,306 | (941,676) | 3,300,095 | 517,239 | - |
| <i>Other Liabilities:</i> | | | | | | |
| Compensated Absences | 3,033,217 | 346,576 | - | 3,379,793 | 506,969 | - |
| Net pension liability | 40,214,588 | 10,908,910 | - | 51,123,498 | - | - |
| OPEB Liability | 202,300 | - | 5,148 | 207,448 | - | - |
| | \$ 55,931,306 | \$ 19,853,957 | \$ (3,317,737) | \$ 72,467,526 | \$ 2,584,934 | \$ 19,300 |
| <i>BUSINESS ACTIVITIES</i> | | | | | | |
| <i>Direct Borrowings:</i> | | | | | | |
| <i>Loan agreements payable</i> | | | | | | |
| Department of Environmental Regulation | \$ 582,490 | \$ - | \$ (37,315) | \$ 545,175 | \$ 52,674 | \$ 2,643 |
| <i>Other Liabilities</i> | | | | | | |
| Leases liabilities | 3,946 | 186,468 | (14,567) | 177,552 | 26,633 | - |
| Compensated Absences | 112,325 | 21,613 | - | 133,938 | 20,091 | - |
| Estimated liability for landfill closure | 10,968,694 | 3,540,164 | - | 14,508,858 | - | - |
| Net pension liability | 692,165 | 403,588 | - | 1,095,753 | - | - |
| | 11,777,130 | 3,965,365 | (14,567) | 15,916,101 | 46,724 | - |
| | \$ 12,359,620 | \$ 3,965,365 | \$ (51,882) | \$ 16,461,276 | \$ 99,398 | \$ 2,643 |

NOTE 11. LANDFILL CLOSURE AND POSTCLOSURE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure.

Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

\$14,508,858 is reported as landfill closure and postclosure care liability at September 30, 2023, represents the cumulative amount reported to date for landfills with remaining lives of 8 to 15 years. The post closure liability is based upon estimated useage and capacity of the landfill. These amounts are based on what it would cost to perform all closure and annual postclosure care in 2023. Actual cost may be higher because of inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to an escrow account to finance closure. The County is in compliance with these requirements, and at September 30, 2023, restricted cash and investments of \$14,876,594 are held for its purpose. Subsequent to year end the County deposited funds to increase the restricted cash escrow to the amount required. The County expects future inflation costs to be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (because of changes in technology or applicable laws and regulations, for example), these costs may need to be covered by charges to future landfill users or from other future revenues of the County.

NOTE 12. OPERATING LEASES

The County implemented the provisions of GASB Statement No. 87, Leases in the current year. The County leases office space and equipment under various long-term operating lease commitments that qualify as long-term lease agreements. These agreements qualify as intangible, right-to-use assets and not financed purchases, as the County and Officers of the County will not own the assets at the end of the contract term and the noncancelable term of the agreements surpass one year. A summary of the nature of the assets, length of terms and the value of the assets acquired at September 30, follows:

| Asset Type | Lease Term | Initial Lease Liability | Accumulated Amortization | Value of Right to Use Asset |
|------------|--------------|-------------------------|--------------------------|-----------------------------|
| Building | 120 months | \$ 1,412,315 | \$ 494,310 | \$ 918,005 |
| Equipment | 48-72 months | 3,646,010 | 732,789 | 2,913,221 |
| | | <u>\$ 5,058,325</u> | <u>\$ 1,227,099</u> | <u>\$ 3,831,226</u> |

The net present value of future minimum payments required by the lease agreements as of September 30, 2023 was as follows:

| <u>Year Ending September 30</u> | <u>Interest</u> | <u>Principal</u> |
|-------------------------------------|------------------|---------------------|
| 2024 | \$ 215,642 | \$ 766,200 |
| 2025 | 173,520 | 753,977 |
| 2026 | 131,028 | 722,144 |
| 2027 | 86,315 | 710,496 |
| 2028 | 16,720 | 382,056 |
| 2029 | 2,541 | 142,774 |
| | <u>\$ 82,831</u> | <u>\$ 3,477,647</u> |

NOTE 13. RETIREMENT PLANS

Florida Retirement System:

General Information - All of the County's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site: www.dms.myflorida.com/workforce_operations/retirement/publications.

Pension Plan

Plan Description - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with

25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement. In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2021 through June 30, 2023 and from July 1, 2023 through September 30, 2023, respectively were as follows:

| Class | October 1, 2022 | July 1, 2023 |
|---|-----------------|--------------------|
| | June 30, 2023 | September 30, 2023 |
| Regular Class | 11.91% | 13.57% |
| Special Risk Class | 27.83% | 32.67% |
| Special Risk Administrative Support Class | 38.65% | 39.82% |
| Elected County Officers Class | 57.00% | 62.72% |
| Senior Management Service Class | 31.57% | 34.52% |
| Deferred Retirement Option Program | 18.60% | 21.13% |

These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2021 through June 30, 2023 and from July 1, 2023 through September 30, 2023, respectively.

The County's contributions to the Pension Plan totaled \$4,866,810 for the fiscal year ended September 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2023, the County reported a liability of \$40,312,064 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The County's proportionate share of the net pension liability was based on the County's 2022-23 fiscal year contributions relative to the 2021-22 fiscal year contributions of all participating members. At June 30, 2023, the County's proportionate share was 0.101167544%, which was an increase of 0.010291294% from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the County recognized pension expense of \$2,742,338. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| <u>Description</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expected and actual experience | \$ 3,784,955 | \$ - |
| Changes in assumptions | 2,627,875 | - |
| Net difference between projected and actual earnings on Pension Plan investments | 1,683,541 | - |
| Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions | 3,126,068 | (2,032,713) |
| County Pension Plan contributions subsequent to the measurement date | 1,342,210 | - |
| Total | <u>\$ 12,564,649</u> | <u>\$ (2,032,713)</u> |

The deferred outflows of resources related to the Pension Plan, totaling \$1,342,210 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

| Fiscal Year Ending | |
|--------------------|---------------------|
| September 30 | |
| 2024 | \$ 1,252,442 |
| 2025 | (496,212) |
| 2026 | 7,515,227 |
| 2027 | 713,884 |
| 2028 | 204,385 |
| Thereafter | - |
| | <u>\$ 9,189,726</u> |

Actuarial Assumptions – The total pension liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|-----------------------------------|--|
| Valuation and Timing | Actuarially determined contribution rates for a given plan year are calculated in the valuation conducted as of the beginning of the preceding plan year (e.g. rates for the 2023-2024 plan year are calculated in the 7/1/2023 actuarial valuation) |
| Actuarial Cost Method | Individual Entry Age |
| Level percent of level dollar | Level percent |
| Closed, open or layered periods | Closed, layered |
| Amortization period | Effective July 1, 2021: New bases are amortized over 20 years Bases established prior to July 1, 2021: amortized over maximum of 20 years. |
| 2019 actuarial cost method change | Amortized over 30 years as level percentage of Tier I pay |
| Payroll growth rate | 3.25% |
| Asset Valuation Method | |
| Smoothing period | 5 years |
| Recognition method | Asymptotic |
| Corridor | 80% - 120% of fair market value |
| Inflation | 2.40% |
| Salary Increases | Varies by membership class and length of service; details in funding actuarial valuation report |
| Investment Rate of Return | 6.70% |
| Cost of Living Adjustments | 3% for pre-July 2011 benefit service; 0% thereafter |
| Retirement Age | Varies by tier, membership class, age and sex; details in funding actuarial valuation report |
| Turnover | Varies by membership class, length of service, age and sex; details in funding actuarial valuation report |
| Mortality | PUB-2010 base table varies by member category and sex, projected generally with Scale MP-2018, details in funding actuarial valuation report |

Other Key Actuarial Assumptions:

The actuarial assumptions that determined the total pension liability as of June 30, 2023 were based on the results of an actuarial experience study for the July1, 2013 – June 30, 2018 experience observation period.

| | <u>June 30, 2022</u> | <u>June 30, 2023</u> |
|--|---|---|
| Discount Rate | 6.80% | 6.70% |
| Long-term expected rate of return net of investment expense | 6.80% | 6.70% |
| Municipal bond rates | NA | NA |
| Valuation Date | July 1, 2022 | July 1, 2023 |
| Measurement date | June 30, 2022 | June 30, 2023 |
| Inflation | 2.40% | 2.40% |
| Salary increases including inflation | 3.25% | 3.25% |
| Mortality | PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 | PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 |
| Actuarial cost method | Individual Entry Age | Individual Entry Age |

The following change in actuarial assumptions occurred in 2023:

FRS: The long-term expected rate of return was decreased from 6.80% to 6.70%.

The table below contains a summary of return assumptions for various asset classes based on the long-term target asset allocation. The six specific asset classes displayed are per system request and are summarized results of a more detailed market outlook model with additional asset classes.. Each asset class assumption is based on a consistent set of underlying real return assumptions and includes an adjustment for the FRS Actuarial Assumption Conference's 2.4% inflation assumption. The assumptions are not based on historical returns, by instead are based on a forward-looking capital market economic model.

| Asset Class | Policy Allocation* | Annual Arithmetic Return | Compound Annual (Geometric) Return | Annual Standard Deviation |
|-----------------------|-----------------------|--------------------------------|---|---------------------------------|
| Cash Equivalents | 1.0% | 2.6% | 2.6% | 1.1% |
| Fixed Income | 19.8% | 4.4% | 4.4% | 3.2% |
| Global equity | 54.0% | 8.8% | 7.3% | 17.8% |
| Real estate | 10.3% | 7.4% | 6.3% | 15.7% |
| Private equity | 11.1% | 12.0% | 8.9% | 26.3% |
| Strategic investments | 3.8% | 6.2% | 5.9% | 7.8% |
| | <u>100.0%</u> | | | |

Assumed inflation-mean 2.4% 1.3%

Discount Rate - The discount rate used to measure the total pension liability was 6.70%. The Pension Plan's 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 calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

| | 1% Decrease (5.70%) | Current Discount Rate (6.70%) | 1% Increase (7.70%) |
|--|------------------------|-------------------------------------|------------------------|
| County's proportionate share of the net pension liability | \$ 68,861,214 | \$ 40,312,064 | \$ 16,427,284 |

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2023, the County reported a payable in the amount of \$87,509 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2023.

HIS Plan

Plan Description - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered

retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2023, the HIS contribution for the period October 1, 2021 through June 30, 2023 and from July 1, 2023 through September 30, 2023 was 1.66% and 1.66%, respectively. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contribution are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled \$468,636 for the fiscal year ended September 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2023, the County reported a liability of \$11,907,186 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The County's proportionate share of the net pension liability was based on the County's 2022-23 fiscal year contributions relative to the 2021-22 fiscal year contributions of all participating members. At June 30, 2023, the County's proportionate share was 0.074975982%, which was an increase of 0.00800303% from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the County recognized HIS pension expense of \$493,205. In addition the County reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 174,313 | \$ (27,948) |
| Changes in assumptions | 313,036 | (1,031,798) |
| Net difference between projected and actual earnings on HIS Plan investments | 6,149 | - |
| Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions | 1,055,327 | (305,267) |
| County HIS Plan contributions subsequent to the measurement date | 145,661 | - |
| Total | <u>\$ 1,694,486</u> | <u>\$ (1,365,013)</u> |

The deferred outflows of resources related to the HIS Plan, totaling \$115,217 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

| Fiscal Year Ending September 30 | |
|------------------------------------|-------------------|
| 2024 | \$ 32,116 |
| 2025 | 19,472 |
| 2026 | 32,398 |
| 2027 | 63,547 |
| 2028 | 33,661 |
| Thereafter | 2,617 |
| | <u>\$ 183,811</u> |

Actuarial Assumptions – The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|------------------|-------------------------------------|
| Inflation | 2.40 % |
| Salary increases | 3.25%, average, including inflation |

Municipal bond rate

3.54% Bond Buyer General Obligation
20-Bond Municipal Bond Index

Mortality rates were based on Pub-2010 base table.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an experience study completed in 2019, for the period July 1, 2013 through June 30, 2018.

The following changes to assumptions occurred in the 2023 fiscal year:

HIS: The demographic assumptions for the Special Risk class were updated to reflect plan changes due HB007, HB689, and SB838.

HIS: The election assumption for vested terminated members was updated from 20% to 50% to reflect recent experience.

HIS: The municipal bond rate used to determine total pension liability was increased from 3.54% to 3.65%.

Discount Rate - The discount rate used to measure the total pension liability was 3.54%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 3.65%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.65%) or one percentage point higher (4.65%) than the current rate:

| | 1% Decrease 2.65 | Current Discount Rate 3.65 | 1% Increase 4.65 |
|---|---------------------|----------------------------------|---------------------|
| County's proportionate share of the net pension liability | \$ 13,584,241 | \$ 11,907,186 | \$ 10,517,020 |

Pension Plan Fiduciary Net Position - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2023, the County reported a payable in the amount of \$28,246 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2023.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2021-22 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and County Elected Officers class 11.34%. Each of these members classes pay 3% of the contribution.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2023, 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.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The County had no pension expense for the Investment Plan for the fiscal year ended September 30, 2023.

NOTE 14. FUND BALANCES GOVERNMENTAL FUNDS

As of September 30, 2023, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BCC). The BCC is the highest level of decision making authority for the County. Commitments may be established, modified, or rescinded only through resolutions approved by the BCC.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Board of County Commissioners.

Unassigned - all other spendable amounts.

Fund balances designations are as follows:

| | Committed | Assigned | Restricted | Nonspendable | Unassigned |
|--------------------------------------|-----------|---------------|---------------|--------------|--------------|
| General Fund: | | | | | |
| Southside Recreation Center | - | 270,022 | - | - | - |
| Utilities fund advance | - | - | - | 1,712,573 | - |
| Vessel registration fees | - | - | 147,236 | - | - |
| Undesignated | - | - | - | - | 24,950,106 |
| | \$ - | \$ 270,022 | \$ 147,236 | \$ 1,712,573 | \$24,950,106 |
| Other governmental funds: | | | | | |
| Board of County Commissioners | | | | | |
| American Rescue Plan Act | \$ - | \$ - | \$ 679,661 | \$ - | \$ - |
| Capital Projects - County Facilities | - | 15,999,216 | - | - | - |
| Community Development Block Grant | - | - | (33,057) | - | - |
| County Transportation Trust | - | - | 11,178,171 | 318,309 | - |
| Court Reporters | - | - | 113,244 | - | - |
| Court Services | - | - | 824,934 | - | - |
| Economic Development | - | 2,668,792 | - | - | - |
| Impact Fees | - | - | 324,108 | - | - |
| Law Enforcement Special | - | - | 24,928 | - | - |
| Library Enhancement Grant | - | - | 1,842,263 | - | - |
| Municipal Services Benefit Unit | - | - | 5,366,027 | 482,839 | - |
| Jail Construction | - | 169,597 | - | - | - |
| Paving Assessments | - | - | 214,782 | - | - |
| Road Improvement | - | 7,052,975 | - | - | - |
| Jail Debt Service | - | - | 814,580 | - | - |
| Road Improvement Debt Service | - | - | 231,885 | - | - |
| Sheriff EAC | - | - | 21,586 | - | - |
| SHIP | - | - | 921,623 | - | - |
| Tourist Development Tax | - | - | 3,940,729 | - | - |
| Clerk of Courts | | | | | |
| Public Records Modernization Trust | - | - | 392,698 | - | - |
| Teen Court | - | - | 33,446 | - | - |
| Sheriff | | | | | |
| Work Program | - | - | 13,020 | - | - |
| Forfeiture | - | - | 33,486 | - | - |
| Inmate Welfare | - | - | 1,115,955 | - | - |
| Minimum Standards School | - | - | 20,050 | - | - |
| Construction | - | - | 2,315,985 | - | - |
| Total other governmental funds | - | 25,890,580 | 30,390,104 | 801,148 | - |
| Total | \$ - | \$ 26,160,602 | \$ 30,537,340 | \$ 2,513,721 | \$24,950,106 |

Fund Balance Policy

The County has adopted a fund balance policy to maintain targeted levels of fund balance for all governmental funds. For the General Fund, the County's policy is to maintain a minimum level of unrestricted fund balance (the sum of the assigned and unassigned components of fund balance). The target level is no less than 25% and no more than 30% of General Fund annual expenditures.

For special revenue funds, there are typically no requirements for a specific reservation of fund balance but the County uses several special revenue funds as special operating funds for specific programs such as the Transportation Trust Fund and Municipal Services Fund. For these special revenue operating funds, the County has established a minimum level of fund balance. Such funds should maintain no less than 20% and no more than 30% of the fund specific annual expenditures.

In addition to minimum fund balance levels for the General Fund and major special revenue operating funds, the County also established a minimum level of fund balance for all other funds (including enterprise funds) similar to the above requirements.

Replenishment of Fund Balance Deficits

Each year during the budget process, fund balance levels are reviewed and compared to the targeted levels established in the fund balance policy. In the event fund balance levels fall below the targeted levels or, have not been met, a designated amount shall be set aside each year to fund balance so that the targeted amounts will be restored.

Utilization of Fund Balance

The County may approve, in its annual budgeting process, the use of fund balance either for specifically identified needs or as a designated reserve. The Board must always approve the use of designated reserves. In the event that targeted fund balance levels are met, the Board may approve the use of any excess for any lawful purpose. The Board may also establish additional reserves or designations of fund balance as may be needed such as a Disaster Contingency Reserve.

NOTE 15. CONTINGENT LIABILITIES

Grants – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the state and federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

Litigation – The County is defendant in various pending or threatened litigation. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

COVID - In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) was characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the County. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel and meeting, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

NOTE 16. RISK MANAGEMENT

The County participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the County's entity risk pool pays annual premiums to the pools for its insurance coverages. The agreements for formation of the pools provide that the pools will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specific amounts.

The County continues to carry commercial insurance for other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The pooling agreements allow for the pools to make additional assessments to make the pools self-sustaining. It is not possible to estimate either the amount of such additional assessments, which might have to be paid by the County or the losses which might have to be borne by the County.

The Sheriff is a member of Florida Sheriffs' Self-Insurance Fund, which administers insurance activities relating to property and general liability; Florida Sheriffs' Workers' Compensation Self-Insurance Fund, which administers workers' compensation insurance; and Sheriffs' Automobile Risk Program which administers automobile liability and physical damage insurance. Those funds and program absorb losses up to a specified amount annually and purchase excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operation expenses. Losses, if any, in excess of the fund or program ability to assess its members, would revert back to the member that incurred the loss.

The Sheriff is a member of the Florida Sheriffs Multiple Employers Trust Consortium, which is a self-funded healthcare pool. The funds contributed in the form of premiums and that of the program absorb losses up to a specified amount annually and purchases excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operation expenses. Losses, if any, in excess of the fund or program ability to assess its members, would revert back to the member that incurred the loss.

NOTE 17. TAX ABATEMENT

Pursuant to section 196.995(5) Florida Statutes, the County enters into ad valorem property tax abatement agreements with local businesses for the purpose of economic development in the County. In order to be eligible, the recipient must provide a positive economic impact on the County by job creation, property development or other benefit as determined by the County. Tax rebates are given to the recipients only upon performance of the agreement terms by the recipients. The amounts of the rebates are defined in the agreements. In the fiscal year ended September 30, 2023, \$261,107 was rebated to recipients that provided property development in the County.

NOTE 18. CONSTRUCTION COMMITMENTS

During the year, the County had in progress several construction projects including road improvements and facilities renovations. At year end, the significant portion of these related construction commitments were completed and existing funds had been earmarked for any incomplete projects.

NOTE 20. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The County is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the County or the retiree. Participating retirees are considered to receive a secondary benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retirees are receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the county younger and statistically healthier active employees. GASB Statement 45 requires governments to report this cost and related liability in its financial statements.

PLAN PROVISIONS

Columbia County, Florida administers its own post-employment benefit (OPEB) plan for medical benefits that are provided to Columbia County retirees. All full-time employees of Columbia County who satisfy the Disability, Early, or Normal Retirement provisions of their retirement plan may be eligible for certain post-employment benefits.

- General employees must meet the eligibility requirements for retirement under the Florida Retirement System Pension Plan – Regular Class.
- Fire employees must meet the eligibility requirements for retirement under the Florida Retirement System Pension Plan – Special Risk Class.

Participants are allowed access to the plan if the employee retires with an immediate benefit from the Florida Retirement System.

Surviving spouses and dependents are allowed access to the plan until they reach age 65.

All participants must pay 100% of their premium (implicit subsidy only).

The County has not set up a trust to prefund benefits. The County will pay benefits on a pay-as-you-go basis.

The following table summarizes the counts, ages and coverage as of October 1, 2023 for those currently enrolled in the plan.

| | | |
|------------|--------------------------------|-------|
| (1) | Number of Participants | |
| | (a) Active Employees | 215 |
| | (b) Retirees (Pre-Medicare) | 4 |
| (2) | Active Statistics | |
| | (a) Average age | 44.98 |
| | (b) Average Service | 8.99 |
| (3) | Inactive Statistics | |
| | (a) Average age (Pre-Medicare) | 64.47 |

SIGNIFICANT ASSUMPTIONS USED TO MEASURE THE TOTAL OPEB LIABILITY

The total OPEB liability is based on October 1, 2023 valuation data. The methods, assumptions, participant data, and plan provisions are as detailed in the September 30, 2023 actuarial valuation report dated January 17, 2023.

ECONOMIC ASSUMPTIONS

The medical trend assumption was developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions. The SOA Model 2023 which was used in the current year valuation used the following assumptions:

| | |
|---|-------|
| Rate of inflation | 2.5% |
| Rate of Growth in Real Income / GDP per capita | 1.4% |
| Extra Trend due to Technology and other factors | 1.0% |
| Expected Health Share of GDP in 2031 | 19.0% |
| Health Share of GDP Resistance Point | 20.0% |
| Year for Limiting Cost Growth to GNP Growth | 2075 |

DEMOGRAPHIC ASSUMPTIONS

General employees participate in either the Tier 1 or Tier 2 Regular Class Employees under the Florida State Retirement System Pension Plan. Fire employees participate in the Special Risk Class Employees under the Florida State Retirement System Pension Plan. Demographic assumptions mirror those used in the FRS Pension Plan.

DISCOUNT RATE ASSUMPTION

The discount rate used to determine the liabilities under GASB 75 depends upon the County's funding policy. The discount rate for governments that do not prefund benefits is based on 20-year general obligation bonds(GO bond) rates. The discount rate assumption for disclosure purposes for the fiscal year ended September 30, 2023 is 4.40%, the 20-year GO bond index for September 30, 2023.

VALUATION METHODS AND ASSUMPTIONS

Cost Method:

The valuation uses the entry age normal funding method calculated on an individual basis with level percentage of pay.

Election Rate:

20% of eligible participants are assumed to continue coverage upon decrement.

Interest Rate Assumption:

The interest rate is based on the 20-year GO Bond index of 4.40% as of September 30, 2020.

Coverage Status and Age of Spouse:

Actual coverage status is used; females assumed 3 years younger than male spouse.

TREND ASSUMPTION

All plan premiums and benefit costs are assumed to increase annually at the following rates

| <u>TREND ASSUMPTIONS</u> | <u>Plan premium and Benefit Costs</u> | |
|--------------------------|---------------------------------------|----------------------|
| | <u>Year</u> | <u>Increase Rate</u> |
| | 2022 | 6.00% |
| | 2023 | 5.80% |
| | 2030 | 5.01% |
| | 2040 | 4.81% |
| | 2050 | 4.64% |
| | 2060 | 4.54% |
| | 2070 | 4.20% |
| | 2075+ | 3.94% |

DECREMENT ASSUMPTIONS

Below is a summary of decrements used in the valuation.

Mortality Decrements

| | | |
|-----|------------------|---|
| (1) | Healthy Active | Regular, male and female: Pub-2010 General Employees Headcount-Weighted Mortality Projected with Fully Generational MP2020 Mortality Improvement Scale |
| | | Special Risk, male and female : Pub-2010 Safety Employees Headcount-Weighted Mortality Projected with Fully Generational MP2020 Mortality Improvement Scale |
| (2) | Healthy Inactive | Regular, male and female: Pub-2010 General Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2020 Mortality Improvement Scale |
| | | Special Risk, male and female : Pub-2010 Safety Retirees Headcount-Weighted Mortality Projected with Fully Generational MP2020 Mortality Improvement Scale |
| (2) | Disabled | Regular, male and female: Pub-2010 General Disabled Headcount-Weighted Mortality Projected with Fully Generational MP2020 Mortality Improvement Scale |
| | | Special Risk, male and female : Pub-2010 Safety Disabled Headcount-Weighted Mortality Projected with Fully Generational MP2020 Mortality Improvement Scale |

CLAIMS ASSUMPTION

The plan is fully insured. To determine the assumed cost and the retiree contributions, 2023 premium rates were weighted by the enrollment at September 30, 2023.

Gross claims are equal to the age adjusted assumed cost. The cost for participants with dependent coverage is assumed to be 181% of the cost of individual coverage. The following chart shows the total costs including both, medical and prescription drug as well as the assumed costs:

ASSUMED CLAIMS COSTS

| | | |
|------------------------|----|----------|
| 1 Total Costs | | |
| a. Under 50 | | \$8,218 |
| b. Age 50-54 | | \$10,183 |
| c. Age 50-59 | | \$12,428 |
| d. Age 60-64 | | \$15,263 |
| e. Age 65-Older | | N/A |
| 2 Assumed Costs | | |
| Pre-Medicare | \$ | 9,209 |
| Medicare Age | | N/A |

CHANGE IN THE NET OPEB LIABILITY

| | Total OPEB Liability | Plan Fiduciary Net Position | Net OPEB Liability |
|---|-------------------------|-----------------------------------|-----------------------|
| Balance as of September 30, 2022 | \$ 202,300 | \$ - | \$ 202,300 |
| Change for the Year | | | |
| Service Cost | 18,358 | - | 18,358 |
| Interest | 8,513 | - | 8,513 |
| Changes of Benefit Terms | - | - | - |
| Experience Losses/Gains | - | - | - |
| Trust Contribution - Employer | - | 17,668 | 17,668 |
| Net Investment Income | - | - | - |
| Changes in Assumptions | (4,055) | - | (4,055) |
| Benefit Payments (Net of Retiree Contributions) | (17,668) | (17,668) | (35,336) |
| Administrative Expense | - | - | - |
| Net Changes | 5,148 | - | 5,148 |
| Balance as of September 30, 2023 | \$ 207,448 | \$ - | \$ 207,448 |

OPEB EXPENSE

| | | | |
|----|--|-----------|---------------|
| 1. | Service Cost | \$ | 18,358 |
| 2. | Interest | | 8,513 |
| 3. | Projected Earnings on OPEB Trust | | - |
| 4. | OPEB Administrative Expense | | - |
| 5. | Changes in Benefit Terms | | - |
| 6. | Differences Between Expected and Actual Earnings | | |
| | In Current Fiscal Year Recognized in Current Year | | - |
| | From Past Years Recognized in Current Year | | - |
| | Total | | - |
| 7. | Differences Between Expected and Actual Experience | | |
| | In Current Fiscal Year Recognized in Current Year | | - |
| | From Past Years Recognized in Current Year | | (4,810) |
| | Total | | (4,810) |
| 8. | Changes in Assumptions | | |
| | In Current Fiscal Year Recognized in Current Year | | (676) |
| | From Past Years Recognized in Current Year | | (8,639) |
| | Total | | (9,315) |
| 9. | Total OPEB Expense | \$ | 12,746 |

The following table presents Columbia County, Florida's Total and Net OPEB liability. It also shows the net liability if it is calculated using a discount rate that is 1% higher or 1% lower.

| | | 1% Decrease | Discount Rate | 1% Increase |
|----------------------------|----|--------------------|----------------------|--------------------|
| Discount Rate | | 3.63% | 4.63% | 5.63% |
| Total OPEB Liability | \$ | 225,334 | \$207,448 | \$ 190,381 |
| Net OPEB Liability (Asset) | \$ | 225,334 | \$207,448 | \$ 190,381 |

Also presented is the Total and Net OPEB liability if it is calculated using a health care cost trend rate that is 1% lower or 1% higher.

| | | 1% Decrease | Medical Trend | 1% Increase |
|----------------------------|----|--------------------|----------------------|--------------------|
| Ultimate Trend | | 2.94% | 3.94% | 4.94% |
| Total OPEB Liability | \$ | 176,059 | \$207,448 | \$ 245,955 |
| Net OPEB Liability (Asset) | \$ | 176,059 | \$207,448 | \$ 245,955 |

DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO OPEB

For the fiscal year ended September 30, 2023, the County recognized an OPEB expense of \$12,749. At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 24,634 | \$ 68,511 |
| Changes in assumptions | 9,076 | 41,748 |
| Net difference between projected and actual earnings on OPEB plan investments | - | - |
| Employer contributions subsequent to measurement date | N/A | - |
| Total | <u>\$ 33,710</u> | <u>\$ 110,259</u> |

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in expense as follows:

| Fiscal Year Ended September 30: | Measurement Date | Earnings (Inflow)/Outflow |
|---------------------------------|---------------------|------------------------------|
| 2023 | 9/30/2024 | \$ (14,126) |
| 2024 | 9/30/2025 | (13,213) |
| 2025 | 9/30/2026 | (23,831) |
| 2026 | 9/30/2027 | (24,704) |
| 2027 | 9/30/2028 | (675) |
| Thereafter | 9/30/2028 and after | - |

Changes in Assumptions :

For the fiscal year ended September 30, 2023 changes in assumptions were:

| | Fiscal Year Ended | |
|---|-------------------|----------|
| | 2022 | 2023 |
| Economic Assumptions: | | |
| Rate of Growth in Real Income / GDP per capit | 1.5% | 1.4% |
| Extra Trend due to Technology and other factor: | 1.1% | 1.0% |
| Expected Health Share of GDP in 2031 | 20.0% | 19.0% |
| Health Share of GDP Resistance Point | 25.0% | 20.0% |
| Discount Rate Assumptions: | 4.40% | 4.6% |
| Interest Rate Assumption; | 4.40% | 4.6% |

REQUIRED SUPPLEMENTARY INFORMATION

COLUMBIA COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-------------------------|----------------------|-----------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 32,677,013 | \$ 32,677,013 | \$ 32,518,413 | \$ (158,600) |
| Licenses, permits , special assessments | 20,000 | 20,000 | 90,650 | 70,650 |
| Intergovernmental | 7,266,192 | 7,266,192 | 9,770,665 | 2,504,473 |
| Charges for services | 1,595,565 | 1,595,565 | 2,900,919 | 1,305,354 |
| Fines and forfeitures | 309,500 | 309,500 | 147,430 | (162,070) |
| Interest | 172,834 | 172,834 | 642,089 | 469,255 |
| Miscellaneous | 122,000 | 122,000 | 445,681 | 323,681 |
| Total revenues | 42,163,104 | 42,163,104 | 46,515,847 | 4,352,743 |
| EXPENDITURES | | | | |
| Current operating: | | | | |
| General government | 10,384,660 | 10,384,660 | 7,864,820 | 2,519,840 |
| Public safety | 4,000,902 | 4,000,902 | 4,223,982 | (223,080) |
| Physical environment | 2,291,345 | 2,291,345 | 1,899,851 | 391,494 |
| Economic environment | 256,120 | 256,120 | 228,565 | 27,555 |
| Human services | 4,033,507 | 4,033,507 | 3,675,230 | 358,277 |
| Culture/recreation | 706,494 | 706,494 | 689,288 | 17,206 |
| Capital outlay: | | | | |
| General government | 21,326 | 821,326 | 919,514 | (98,188) |
| Public safety | 636,695 | 636,695 | 629,679 | 7,016 |
| Physical environment | 138,553 | 138,553 | 98,202 | 40,351 |
| Human services | - | - | - | - |
| Culture/recreation | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | 207,380 | (207,380) |
| Interest | - | - | 9,654 | (9,654) |
| Total expenditures | 22,469,602 | 23,269,602 | 20,446,165 | 2,823,437 |
| Excess of revenues over expenditures | 19,693,502 | 18,893,502 | 26,069,682 | 7,176,180 |
| Other Financing Sources (Uses) | | | | |
| Sale of fixed assets | - | - | - | - |
| Leases proceeds | - | - | 823,001 | 823,001 |
| Transfers in | 2,009,866 | 2,009,866 | 815,298 | (1,194,568) |
| Transfers out | (25,381,733) | (33,262,458) | (25,854,822) | 7,407,636 |
| Total other financing sources (uses) | (23,371,867) | (31,252,592) | (24,216,523) | 7,036,069 |
| Net change in fund balance | (3,678,365) | (12,359,090) | 1,853,159 | 14,212,249 |
| Fund balance, beginning of year | 25,226,778 | 25,226,778 | 25,226,778 | - |
| Fund balance, end of year | \$ 21,548,413 | \$ 12,867,688 | \$ 27,079,937 | \$ 14,212,249 |

See notes to required supplementary information.

COLUMBIA COUNTY FLORIDA
COUNTY TRANSPORTATION TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-------------------------|---------------------|-----------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 7,920,000 | \$ 7,920,000 | \$ 7,772,694 | \$ (147,306) |
| Intergovernmental | 5,314,000 | 5,314,000 | 4,906,323 | (407,677) |
| Charges for services | 144,000 | 144,000 | 2,785 | (141,215) |
| Interest | 75,000 | 75,000 | 170,821 | 95,821 |
| Miscellaneous | 27,000 | 27,000 | 305,331 | 278,331 |
| Total revenues | 13,480,000 | 13,480,000 | 13,157,954 | (322,046) |
| EXPENDITURES | | | | |
| Current operating: | | | | |
| Transportation | 15,779,312 | 15,779,312 | 10,707,168 | 5,072,144 |
| Capital outlay: | | | | |
| Transportation | 702,649 | 702,649 | 530,329 | 172,320 |
| Debt service: | | | | |
| Principal | - | - | 726,752 | (726,752) |
| Interest | - | - | 12,344 | (12,344) |
| Total expenditures | 16,481,961 | 16,481,961 | 11,976,593 | 4,505,368 |
| Excess of revenues over expenditures | (3,001,961) | (3,001,961) | 1,181,361 | 4,183,322 |
| Other Financing Sources | | | | |
| Lease proceeds | - | - | 2,110,304 | 2,110,304 |
| Transfers in | - | - | 3,000 | 3,000 |
| Transfers out | - | - | (4,000,000) | (4,000,000) |
| Total other financing sources | - | - | (1,886,696) | (1,886,696) |
| Net change in fund balance | (3,001,961) | (3,001,961) | (705,335) | 2,296,626 |
| Fund balance, beginning of year | 12,201,814 | 12,201,814 | 12,201,814 | - |
| Fund balance, end of year | \$ 9,199,853 | \$ 9,199,853 | \$ 11,496,479 | \$ 2,296,626 |

See notes to required supplementary information.

COLUMBIA COUNTY FLORIDA
MUNICIPAL SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--------------------------------------|------------------|--------------|----------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 968,000 | \$ 968,000 | \$ 849,534 | \$ (118,466) |
| Licenses, permits and assessments | 12,492,200 | 12,492,200 | 12,069,770 | (422,430) |
| Intergovernmental | 256,250 | 256,250 | 435,821 | 179,571 |
| Charges for services | 10,000 | 10,000 | 305,554 | 295,554 |
| Interest | 35,000 | 35,000 | 170,071 | 135,071 |
| Miscellaneous | 44,600 | 44,600 | 113,399 | 68,799 |
| Total revenues | 13,806,050 | 13,806,050 | 13,944,149 | 138,099 |
| EXPENDITURES | | | | |
| Current operating: | | | | |
| General government | 57,898 | 57,898 | 37,898 | 20,000 |
| Public safety | 8,483,158 | 8,483,158 | 8,150,660 | 332,498 |
| Physical environment | 4,082,673 | 4,082,673 | 4,200,335 | (117,662) |
| Economic environment | 18,975 | 18,975 | 24,829 | (5,854) |
| Capital outlay: | | | | |
| Public safety | 120,000 | 120,000 | 311,054 | (191,054) |
| Debt service: | | | | |
| Principal | 312,885 | 312,885 | 326,832 | (13,947) |
| Interest | 27,974 | 27,974 | 27,119 | 855 |
| Total expenditures | 13,103,563 | 13,103,563 | 13,078,727 | 24,836 |
| Excess of revenues over expenditure: | 702,487 | 702,487 | 865,422 | 162,935 |
| Other Financing Sources (Uses) | | | | |
| Sale of fixed assets | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers out | (1,500,000) | (1,500,000) | (1,500,000) | - |
| Total other financing sources (uses) | (1,500,000) | (1,500,000) | (1,500,000) | - |
| Net change in fund balance | (797,513) | (797,513) | (634,578) | 162,935 |
| Fund balance, beginning of year | 6,483,444 | 6,483,444 | 6,483,444 | - |
| Fund balance, end of year | \$ 5,685,931 | \$ 5,685,931 | \$ 5,848,866 | \$ 162,935 |

See notes to required supplementary information.

COLUMBIA COUNTY FLORIDA
ECONOMIC DEVELOPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Intergovernmental | \$ 1,425,000 | \$ 1,425,000 | \$ 1,748,452 | \$ 323,452 |
| Interest | 20,000 | 20,000 | 87,994 | 67,994 |
| Miscellaneous | - | - | - | - |
| Total revenues | <u>1,445,000</u> | <u>1,445,000</u> | <u>1,836,446</u> | <u>391,446</u> |
| EXPENDITURES | | | | |
| Current expenditures | | | | |
| Economic environment | 1,151,556 | 1,151,556 | 1,229,302 | (77,746) |
| Capital outlay | | | | |
| Economic environment | - | - | - | - |
| Debt service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>1,151,556</u> | <u>1,151,556</u> | <u>1,229,302</u> | <u>(77,746)</u> |
| Excess of revenues over (under) expenditures | <u>293,444</u> | <u>293,444</u> | <u>607,144</u> | <u>313,700</u> |
| Other financing sources (uses) | | | | |
| Interfund transfers in | - | - | - | - |
| Interfund transfers out | (650,000) | (650,000) | (650,000) | - |
| Total other financing sources (uses) | <u>(650,000)</u> | <u>(650,000)</u> | <u>(650,000)</u> | <u>-</u> |
| Net change in fund balance | (356,556) | (356,556) | (42,856) | 313,700 |
| Fund balance beginning of year | <u>2,711,648</u> | <u>2,711,648</u> | <u>2,711,648</u> | <u>-</u> |
| Fund balance end of year | <u>\$ 2,355,092</u> | <u>\$ 2,355,092</u> | <u>\$ 2,668,792</u> | <u>\$ 313,700</u> |
| See notes to financial statements. | | | | |

See notes to required supplementary information.

COLUMBIA COUNTY FLORIDA
AMERICAN RESCUE PLAN ACT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts Original and Final | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|--|---------------------------|---|
| REVENUES | | | |
| Intergovernmental | \$ 280,000 | \$ 500,000 | \$ 220,000 |
| Interest | - | 166,031 | 166,031 |
| Total revenues | <u>280,000</u> | <u>666,031</u> | <u>386,031</u> |
| EXPENDITURES | | | |
| Current operating: | | | |
| Capital outlay: | | | |
| Physical Environment | <u>250,000</u> | <u>-</u> | <u>250,000</u> |
| Excess of revenues over (under) expenditures | <u>30,000</u> | <u>666,031</u> | <u>636,031</u> |
| Other financing sources (uses) | | | |
| Interfund transfers out | <u>(10,000,000)</u> | <u>-</u> | <u>10,000,000</u> |
| Total other financing sources (uses) | <u>(10,000,000)</u> | <u>-</u> | <u>10,000,000</u> |
| Net change in fund balances | <u>(9,970,000)</u> | <u>666,031</u> | <u>10,636,031</u> |
| Fund balances beginning of year | <u>13,630</u> | <u>13,630</u> | <u>-</u> |
| Fund balances end of year | <u>\$ (9,956,370)</u> | <u>\$ 679,661</u> | <u>\$ 10,636,031</u> |
| See notes to financial statements. | | | |

See notes to required supplementary information.

COLUMBIA COUNTY FLORIDA
SHERIFF OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-------------------------|--------------|-----------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Intergovernmental | \$ - | \$ - | \$ 276,439 | \$ 276,439 |
| Charges for services | - | - | 198,343 | 198,343 |
| Interest | - | - | 25,772 | 25,772 |
| Miscellaneous | - | - | 385,815 | 385,815 |
| Total revenues | - | - | 886,369 | 886,369 |
| EXPENDITURES | | | | |
| Current operating: | | | | |
| Public safety - corrections | 5,877,520 | 5,879,020 | 5,856,481 | 22,539 |
| Public safety - law enforcement | 12,983,558 | 13,194,253 | 13,660,708 | (466,455) |
| Capital outlay: | | | | |
| Public safety | 636,695 | 615,584 | 868,310 | (252,726) |
| Debt service: | | | | |
| Principal | 34,000 | 34,000 | 51,469 | (17,469) |
| Interest | - | - | - | - |
| Total expenditures | 19,531,773 | 19,722,857 | 20,436,968 | (714,111) |
| Excess of revenues over expenditures | (19,531,773) | (19,722,857) | (19,550,599) | 172,258 |
| Other Financing Sources | | | | |
| Lease financings | - | - | - | - |
| Transfers in | 19,531,773 | 19,722,857 | 19,550,599 | (172,258) |
| Total other financing sources | 19,531,773 | 19,722,857 | 19,550,599 | (172,258) |
| Net change in fund balance | - | - | - | - |
| Fund balance, beginning of year | - | - | - | - |
| Fund balance, end of year | \$ - | \$ - | \$ - | \$ - |

See notes to required supplementary information.

COLUMBIA COUNTY FLORIDA
ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|----------------------------|----------------------------|----------------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 1,500,000 | \$ 1,500,000 | \$ 1,311,011 | \$ (188,989) |
| Intergovernmental | - | - | 1,402,399 | 1,402,399 |
| Interest | - | - | 222,142 | 222,142 |
| Total revenues | <u>1,500,000</u> | <u>1,500,000</u> | <u>2,935,552</u> | <u>1,435,552</u> |
| EXPENDITURES | | | | |
| Current operating: | | | | |
| Transportation | 3,000,000 | 3,000,000 | 2,239,386 | 760,614 |
| Capital outlay: | | | | |
| Transportation | - | - | 169,915 | (169,915) |
| Total expenditures | <u>3,000,000</u> | <u>3,000,000</u> | <u>2,409,301</u> | <u>590,699</u> |
| Excess of revenues over expenditures | <u>(1,500,000)</u> | <u>(1,500,000)</u> | <u>526,251</u> | <u>2,026,251</u> |
| Net change in fund balance | <u>(1,500,000)</u> | <u>(1,500,000)</u> | <u>526,251</u> | <u>2,026,251</u> |
| Other financing sources (uses) | | | | |
| Transfers out | <u>(5,000,000)</u> | <u>(5,000,000)</u> | <u>(5,000,000)</u> | <u>-</u> |
| Net change in fund balances | <u>(6,500,000)</u> | <u>(6,500,000)</u> | <u>(4,473,749)</u> | <u>2,026,251</u> |
| Fund balance, beginning of year | <u>11,526,724</u> | <u>11,526,724</u> | <u>11,526,724</u> | <u>-</u> |
| Fund balance, end of year | <u><u>\$ 5,026,724</u></u> | <u><u>\$ 5,026,724</u></u> | <u><u>\$ 7,052,975</u></u> | <u><u>\$ 2,026,251</u></u> |

See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| County's proportionate share of the net pension liability | | | | | | | | | | |
| Retirement | 0.090876% | 0.090876% | 0.090696% | 0.097095% | .1012% | 0.1020% | 0.1011% | 0.1031% | 0.0980% | 0.0918% |
| Health insurance subsidy | 0.066973% | 0.066973% | 0.065917% | 0.066285% | .0680% | 0.0681% | 0.0675% | 0.0675% | 0.0672% | 0.0675% |
| County's proportionate share of the net pension liability | | | | | | | | | | |
| Retirement | \$ 40,312,064 | \$ 33,813,268 | \$ 6,851,019 | \$ 42,082,500 | \$ 34,851,421 | \$ 30,727,794 | \$ 29,895,132 | \$ 26,020,964 | \$ 12,652,261 | \$ 6,073,497 |
| Health insurance subsidy | 11,907,186 | 7,093,484 | 8,085,663 | 8,093,297 | 7,612,524 | 7,203,408 | 7,214,936 | 7,861,195 | 6,853,010 | 5,603,796 |
| Total | \$ 52,219,250 | \$ 40,906,752 | \$ 14,936,682 | \$ 50,175,797 | \$ 42,463,945 | \$ 37,931,202 | \$ 37,110,068 | \$ 33,882,159 | \$ 19,505,271 | \$ 11,677,293 |
| County's covered payroll | \$ 27,335,399 | \$ 25,856,199 | \$ 24,376,999 | \$ 23,749,810 | \$ 23,136,187 | \$ 22,508,514 | \$ 22,085,094 | \$ 21,502,670 | \$ 21,254,324 | \$ 20,866,802 |
| County's proportionate share of the net pension liability as a percentage of its covered employee payroll | | | | | | | | | | |
| | 191.03% | 158.21% | 61.27% | 211.27% | 183.54% | 168.52% | 168.03% | 157.57% | 91.77% | 55.96% |
| Plan fiduciary net position as a percentage of the total pension liability | | | | | | | | | | |
| Retirement | 82.38% | 82.89% | 96.40% | 78.85% | 82.61% | 84.26% | 83.89% | 84.88% | 92.00% | 96.09% |
| Health insurance subsidy | 4.12% | 4.81% | 3.56% | 3.00% | 2.63% | 2.15% | 1.64% | 0.97% | 0.50% | 0.99% |

See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
September 30, 2023

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Contractually required contributions | | | | | | | | | | |
| Pension plan | \$ 5,360,015 | \$ 4,484,492 | \$ 3,830,953 | \$ 3,598,494 | \$ 3,459,629 | \$ 3,233,603 | \$ 2,933,891 | \$ 3,081,793 | \$ 2,603,392 | \$ 2,366,976 |
| Health insurance subsidy | 252,338 | 468,636 | 429,606 | 426,068 | 416,533 | 369,084 | 357,107 | 345,742 | 340,622 | 301,780 |
| | <u>\$ 5,612,353</u> | <u>\$ 4,953,128</u> | <u>\$ 4,260,559</u> | <u>\$ 4,024,562</u> | <u>\$ 3,876,162</u> | <u>\$ 3,602,687</u> | <u>\$ 3,290,998</u> | <u>\$ 3,427,535</u> | <u>\$ 2,944,014</u> | <u>\$ 2,668,756</u> |
| Contributions in relation to the contractually required contributions | \$ 5,612,353 | \$ 4,953,128 | \$ 4,260,559 | \$ 4,024,563 | \$ 3,876,162 | \$ 3,602,687 | \$ 3,290,998 | \$ 3,427,535 | \$ 2,944,014 | \$ 2,608,294 |
| Contribution deficiency | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| County's covered employee payroll | \$ 27,335,399 | \$ 25,856,199 | \$ 24,376,999 | \$ 23,749,810 | \$ 23,136,187 | \$ 22,508,514 | \$ 22,085,094 | \$ 21,502,670 | \$ 21,254,324 | \$ 20,866,802 |
| Contributions as a percentage of covered employee payroll | | | | | | | | | | |
| Pension plan | 19.61% | 17.34% | 15.72% | 15.15% | 14.95% | 14.37% | 13.28% | 14.35% | 12.25% | 11.34% |
| Health Insurance subsidy | 0.92% | 1.81% | 1.76% | 1.79% | 1.80% | 1.64% | 1.62% | 1.61% | 1.60% | 1.45% |

See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF CHANGES TO THE OPEB LIABILITY AND RELATED RATIOS
September 30, 2023

CHANGE IN THE NET OPEB LIABILITY

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Total OPEB Liability: | | | | | | |
| Balance at Beginning of Fiscal Year | <u>\$ 202,300</u> | <u>\$ 349,051</u> | <u>\$ 344,293</u> | <u>\$ 290,352</u> | <u>\$ 259,760</u> | <u>\$ 258,636</u> |
| Change for the Year | | | | | | |
| Service Cost | 18,358 | 28,948 | 27,000 | 23,928 | 19,683 | 19,860 |
| Interest | 8,513 | 7,220 | 7,871 | 7,682 | 9,543 | 8,684 |
| Changes of Benefit Terms | - | - | - | - | - | - |
| Experience Losses/Gains | - | (102,767) | - | 73,906 | - | - |
| Changes in Assumptions | (4,055) | (41,411) | 5,255 | (29,528) | 22,574 | (6,420) |
| Benefit Payments (Net of Retiree Contributions) | <u>(17,668)</u> | <u>(38,741)</u> | <u>(35,368)</u> | <u>(22,047)</u> | <u>(21,208)</u> | <u>(21,000)</u> |
| Net change in the OPEB Liability | <u>5,148</u> | <u>(146,751)</u> | <u>4,758</u> | <u>53,941</u> | <u>30,592</u> | <u>1,124</u> |
| Balance as of September 30 | <u>\$ 207,448</u> | <u>\$ 202,300</u> | <u>\$ 349,051</u> | <u>\$ 344,293</u> | <u>\$ 290,352</u> | <u>\$ 259,760</u> |
| Plan Fiduciary Net Position | | | | | | |
| Balance at Beginning of Fiscal Year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Contributions - Employer | 17,668 | 38,741 | 35,368 | 22,047 | 21,208 | 21,000 |
| Benefit Payments | <u>(17,667)</u> | <u>(38,741)</u> | <u>(35,368)</u> | <u>(22,047)</u> | <u>(21,208)</u> | <u>(21,000)</u> |
| Net Change in the Plan | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance as of September 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's Net OPEB Liability Ending | <u>\$ 207,448</u> | <u>\$ 202,300</u> | <u>\$ 349,051</u> | <u>\$ 344,293</u> | <u>\$ 290,352</u> | <u>\$ 259,760</u> |

| | | | | | | |
|--|------|------|------|------|------|------|
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 0% | 0% | 0% | 0% | 0% | 0% |
| Covered Payroll* | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Net OPEB Liability as a Percentage of Employee Payroll* | 0% | 0% | 0% | 0% | 0% | 0% |

| | | | | | | |
|--|---|---|---|---|---|---|
| Expected Average Remaining Service of all Participants | 8 | 8 | 6 | 6 | 7 | 7 |
|--|---|---|---|---|---|---|

Notes to Schedule:

Benefit Changes : None

Changes in assumption: The discount rate was changed as follows:

| | | | | | | |
|--|-------|-------|-------|-------|-------|-------|
| The discount rate changes year to year | 4.60% | 4.40% | 2.19% | 2.41% | 2.75% | 3.83% |
|--|-------|-------|-------|-------|-------|-------|

* Because the Plan does not depend on salary, there is no salary information.

Note: GASB 74 was implemented in fiscal year 2018. Until a full 10 year trend has been compiled, only those years for which information is available has been presented. See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF OPEB CONTRIBUTIONS
September 30, 2023

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|-------------|-------------|-------------|-------------|-----------|-----------|
| Actuarially Determined Contributions | \$ 17,668 | \$ 38,741 | \$ 35,368 | \$ 22,047 | \$ 21,208 | \$ 20,108 |
| Contributions In Relation to the Actuarially | | | | | | |
| Determined Contribution | \$ (17,668) | \$ (38,741) | \$ (35,368) | \$ (22,047) | \$ 21,208 | \$ 20,108 |
| Contributions Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Note: GASB 74 was implemented in fiscal year 2018. Until a full 10 year trend has been compiled, only those years for which information is available has been presented.
See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA
OPEB DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES ARISING FROM DIFFERENCES
BETWEEN EXPECTED AND ACTUAL EXPERIENCE
September 30, 2023

| Year | | | | | Amounts Recognized in OPEB Expense Through September 30, 2023 (c) | Balances at September 30, 2023 | |
|-------|-----------------------------|----------------------------|--|--|--|---|--|
| | Experience Losses (a) | Experience Gains (b) | | | | Deferred Outflows of Resources (a) - (c) | Deferred Inflows of Resources (b) - (c) |
| Prior | \$ - | \$ - | | | \$ - | \$ - | \$ - |
| 2018 | - | - | | | - | - | - |
| 2019 | - | - | | | - | - | - |
| 2020 | 73,906 | - | | | 49,272 | 24,634 | - |
| 2021 | - | - | | | - | - | - |
| 2022 | - | 102,767 | | | 34,256 | - | 68,511 |
| 2023 | - | - | | | - | - | - |
| | | | | | | \$ 24,634 | \$ 68,511 |

See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA
OPEB DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS ARISING FROM CHANGES IN ASSUMPTIONS
September 30, 2023

| Fiscal Year | Balances at September 30, 2023 | | | | |
|---|---|---|---|--------------------------------------|----------------------------------|
| | Increase in the Total OPEB Liability | Decreases in the Total OPEB Liability | Amounts Recognized in OPEB Expense Through September 30, 2018 | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Prior | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | - | 6,420 | 5,502 | - | 918 |
| 2019 | 22,574 | - | 16,125 | 6,449 | - |
| 2020 | - | 29,528 | 19,684 | - | 9,844 |
| 2021 | 5,255 | - | 2,628 | 2,627 | - |
| 2022 | - | 41,411 | 13,804 | - | 27,607 |
| 2023 | - | 4,055 | 676 | - | 3,379 |
| Net Increase (decrease) in OPEB expense | | <u>\$ 35,948</u> | <u>\$ 43,939</u> | <u>\$ 9,076</u> | <u>\$ 10,762</u> |

See notes to required supplementary information.

COLUMBIA COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended September 30, 2023

NOTE 1. BUDGETARY INFORMATION

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental and enterprise funds. All annual appropriations lapse at fiscal year end.

The County generally follows these procedures in establishing the budgetary data for the governmental and enterprise funds as reflected in the financial statements:

1. Prior to September 30, the County Manager, serving as Budget Officer, submits to the Board of County Commissioners (BOCC) a tentative budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the BOCC to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the BOCC.
4. The Constitutional Officers submit, at various times prior to September 30, to the BOCC and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the *Florida Statutes*.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and Property Appraiser, which are classified as separate special revenue funds.
6. The BOCC is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund, or appropriate for special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental and enterprise funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2023 are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis.
9. Enterprise fund budgets are adopted on the accrual basis except that depreciation is not budgeted.
10. Legal control of the budget is exercised pursuant to applicable provisions of the *Florida Statutes*.
11. Appropriations for the County lapse at the close of the fiscal year.

NOTE 2. PENSION PLAN

Net Pension Liability

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2023, are shown below:

| | FRS | HIS |
|-----------------------------|--------------------------|--------------------------|
| Total Pension Liability | \$ 226,204,201,000 | \$ 16,563,148,691 |
| Plan fiduciary net position | (186,357,365,968) | (681,814,936) |
| Net Pension Liability | <u>\$ 39,846,835,032</u> | <u>\$ 15,881,333,755</u> |

Plan Fiduciary Net Position as a Percentage

| | | |
|--------------------------------|--------|-------|
| of the Total Pension Liability | 82.38% | 4.12% |
|--------------------------------|--------|-------|

The total pension liability for each plan was determined by the plans' actuary and reported in the plans 67 valuation as of June 30, 2023. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The total pension liability for the HIS was determined by the plan's actuary and reported in the plan's GASB 67 valuation as of June 30, 2023. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2013 through June 30, 2023, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years June 30, 2015 through June 30, 2023, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's ACFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable for that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflow of resources and associated pension expense.

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

Actuarial Methods and Assumptions

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the

assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), Florida Statutes. The division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pension Plan's GASB 67 is performed annually. The HIS Program 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 Pension Plan was completed in 2019 for the period July 1, 2013 through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both Plans is assumed at 2.40%. Payroll growth, including inflation, for both Plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for the FRS Pension Plan is 6.70%. The Plan's 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 Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.16% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the PUB-2010 base table.

The following changes in actuarial assumptions occurred in 2023:

- FRS: The long-term expected rate of return did not change from prior year.
- HIS: The demographic assumptions for the Special Risk class were updated to reflect plan changes due HB007, HB689, and SB838.
- HIS: The election assumption for vested terminated members was updated from 20% to 50% to reflect recent experience.
- HIS: The municipal bond rate used to determine total pension liability was increased from 3.54% to 3.65%.

SENSITIVITY ANALYSIS

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis show the impact to the collective net pension liability of the participating employers if the discount rate was 1.00% higher or 1.00% lower than the current discount rate at June 30, 2023:

| FRS NET PENSION LIABILITY | | |
|---------------------------|-------------------------------------|------------------------|
| 1% Decrease (5.70%) | Current Discount Rate (6.70%) | 1% Increase (7.70%) |
| \$ 68,066,508,032 | \$ 39,846,835,032 | \$ 16,237,702,032 |

| HIS NET PENSION LIABILITY | | |
|---------------------------|-------------------------------------|------------------------|
| 1% Decrease (2.65%) | Current Discount Rate (3.65%) | 1% Increase (4.65%) |
| \$ 18,118,123,208 | \$ 15,881,333,755 | \$ 14,027,185,514 |

PENSION EXPENSE AND DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes of assumptions or other inputs are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes in proportion and differences between contributions and proportionate share of contributions are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments – amortized over five years

Employer contributions to the pension plans from employers are not included in collective pension expense; however, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2023, was 5.5 years for FRS and 6.4 years for HIS. The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended June 30, are presented below for each plan.

| FRS | | | |
|---|---|-----------------------------------|----------------------------------|
| Description | Recognized in Expense Reporting Period Ended 2023 | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Service Cost | \$ 2,770,120,809 | \$ - | \$ - |
| Interest Cost | 14,331,550,546 | - | - |
| Effect of plan changes | 1,332,907,000 | - | - |
| Effect of economic, demographic, gains of losses (difference between expected and actual experience) | 1,170,374,794 | 3,741,273,990 | - |
| Effects of assumptions changes or inputs | 1,984,778,059 | 2,597,547,279 | - |
| Member contributions | (788,862,819) | - | - |
| Projected investment earnings | (11,836,665,097) | - | - |
| Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions | - | 1,657,004,180 | (1,657,004,180) |
| Net difference between projected and actual investment earnings | (738,407,934) | 1,664,111,667 | - |
| Administrative expenses | 27,047,577 | - | - |
| Total | <u>\$ 8,252,842,935</u> | <u>\$ 9,659,937,116</u> | <u>\$ (1,657,004,180)</u> |

| HIS | | | |
|---|---|-----------------------------------|----------------------------------|
| Description | Recognized in Expense Reporting Period Ended 2023 | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Service Cost | \$ 208,288,835 | \$ - | \$ - |
| Interest Cost | 391,888,811 | - | - |
| Effect of plan changes | 5,596,298,140 | - | - |
| Effect of economic, demographic, gains of losses (difference between expected and actual experience) | 79,660,103 | 232,491,818 | (37,275,868) |
| Effects of assumptions changes or inputs | (298,486,289) | 417,515,463 | (1,376,171,047) |
| Member contributions | (221,875) | - | - |
| Projected investment earnings | (21,115,132) | - | - |
| Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions | - | 560,620,084 | (560,620,084) |
| Net difference between projected and actual investment earnings | 5,082,161 | 8,201,349 | - |
| Administrative expenses | 212,017 | - | - |
| Total | <u>\$ 5,961,606,771</u> | <u>\$ 1,218,828,714</u> | <u>\$ (1,974,066,999)</u> |

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the subsequent reporting period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

| Reporting Period Ending | FRS | HIS |
|----------------------------|-------------------------|-------------------------|
| 2024 | \$ 1,090,697,536 | \$ (131,960,417) |
| 2025 | (432,129,269) | (80,007,514) |
| 2026 | 6,544,684,576 | (133,116,070) |
| 2027 | 621,690,549 | (261,098,273) |
| 2028 | 177,989,544 | (138,306,216) |
| Thereafter | - | (10,749,795) |
| | <u>\$ 8,002,932,936</u> | <u>\$ (755,238,285)</u> |

NOTE 3. OPEB PLAN

The OPEB schedules are intended to show information for ten years. Additional years will be displayed as they become available.

Changes in Assumptions :

For the fiscal year ended September 30, 2023 changes in assumptions were:

| | Fiscal Year Ended | |
|---|-------------------|-------|
| | 2022 | 2023 |
| Economic Assumptions: | | |
| Rate of Growth in Real Income / GDP per capita | 1.5% | 1.4% |
| Extra Trend due to Technology and other factors | 1.1% | 1.0% |
| Expected Health Share of GDP in 2031 | 20.0% | 19.0% |
| Health Share of GDP Resistance Point | 25.0% | 20.0% |
| Discount Rate Assumptions: | 4.40% | 4.40% |
| Interest Rate Assumption; | 4.40% | 4.40% |

**OTHER INFORMATION
FUND COMBINING STATEMENTS**

**COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2023**

| | Special Revenue Funds | | | | | | | | | | | | |
|-------------------------------------|-----------------------|--|------------------|------------------|--------------------------------|--------------------|---------------------|------------------|-------------------|-------------------|-------------------------------|------------------|----------------------|
| | Property | | | Supervisor | | | | | Tax | | | | |
| | Clerk of Courts | | | Appraiser | Sheriff | | | | of Elections | Collector | Board of County Commissioners | | |
| | Operating | Public Records Modernization Trust | Teen Court | Operating | Minimum Standards School | Drug Task Force | Inmate Welfare | Work Program | Operating | Operating | Court Reporters | Sheriff ESAC | Jail Construction |
| ASSETS | | | | | | | | | | | | | |
| Current assets | | | | | | | | | | | | | |
| Cash | \$ 230,766 | \$ 381,173 | \$ 32,645 | \$ 77,367 | \$ 20,050 | \$ 32,461 | \$ 1,096,143 | \$ 13,020 | \$ 131,796 | \$ 215,743 | \$ 118,713 | \$ 21,586 | \$ 166,596 |
| Accounts receivable | - | - | - | - | - | - | 25,321 | - | - | - | - | - | - |
| Due from other funds | 150,020 | 11,525 | 801 | - | - | - | 35,037 | - | - | 46,572 | - | - | - |
| Due from other governmental units | - | - | - | - | - | 1,700 | - | - | 8,409 | - | - | - | 3,001 |
| Prepaid items | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | <u>380,786</u> | <u>392,698</u> | <u>33,446</u> | <u>77,367</u> | <u>20,050</u> | <u>34,161</u> | <u>1,156,501</u> | <u>13,020</u> | <u>140,205</u> | <u>262,315</u> | <u>118,713</u> | <u>21,586</u> | <u>169,597</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | | | |
| LIABILITIES | | | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | | | |
| Accounts payable | 31 | - | - | - | - | 675 | 40,535 | - | 11,719 | - | 5,469 | - | - |
| Accrued wages | 47,235 | - | - | - | - | - | - | - | 20,938 | 50,755 | - | - | - |
| Due to other funds | - | - | - | 75,587 | - | - | 11 | - | 107,548 | 205,298 | - | - | - |
| Due to other governmental units | 183,416 | - | - | 1,780 | - | - | - | - | - | 6,262 | - | - | - |
| Deposits | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other current liabilities | 31,589 | - | - | - | - | - | - | - | - | - | - | - | - |
| Unearned revenues | 118,515 | - | - | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | <u>380,786</u> | <u>-</u> | <u>-</u> | <u>77,367</u> | <u>-</u> | <u>675</u> | <u>40,546</u> | <u>-</u> | <u>140,205</u> | <u>262,315</u> | <u>5,469</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Restricted | - | 392,698 | 33,446 | - | 20,050 | 33,486 | 1,115,955 | 13,020 | - | - | 113,244 | 21,586 | - |
| Committed | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - | - | - | 169,597 |
| Total fund balances | - | <u>392,698</u> | <u>33,446</u> | - | <u>20,050</u> | <u>33,486</u> | <u>1,115,955</u> | <u>13,020</u> | <u>-</u> | <u>-</u> | <u>113,244</u> | <u>21,586</u> | <u>169,597</u> |
| Total liabilities and fund balances | <u>\$ 380,786</u> | <u>\$ 392,698</u> | <u>\$ 33,446</u> | <u>\$ 77,367</u> | <u>\$ 20,050</u> | <u>\$ 34,161</u> | <u>\$ 1,156,501</u> | <u>\$ 13,020</u> | <u>\$ 140,205</u> | <u>\$ 262,315</u> | <u>\$ 118,713</u> | <u>\$ 21,586</u> | <u>\$ 169,597</u> |

(continued)

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2023**

| | Special Revenue Funds | | | | | | Debt Service Fund | | | | Capital Projects | | Total Nonmajor Governmental Funds |
|-------------------------------------|-------------------------------|------------------|----------------|-------------------------------|---------------------------------|--------------|-------------------------------|----------------------|-------------------------------------|----------------------------|----------------------|-------------------------|---|
| | Board of County Commissioners | | | | | | | | | | | | |
| | CDBG | Court Service | Impact Fees | Law Enforcement Special | Library Enhancement Grant | SHIP | Tourist Development Tax | Jail Debt Service | Road Improvement Debt Service | Paving Assess- ments | County Facilities | Sheriff Construction | |
| ASSETS | | | | | | | | | | | | | |
| Cash | \$ (33,057) | \$ 277,031 | \$ 47,121 | \$ 23,344 | \$ 1,886,354 | \$ 1,107,050 | \$ 2,680,606 | \$ 782,990 | \$ 231,885 | \$ 214,782 | \$ 15,459,633 | \$ 2,315,985 | \$ 27,531,783 |
| Accounts receivable | - | - | - | - | 80 | - | - | - | - | - | - | - | 25,401 |
| Due from other funds | - | 11,536 | - | - | - | - | - | - | - | - | - | - | 255,491 |
| Due from other governmental units | - | 4,945 | - | - | 7,404 | - | 149,493 | 31,590 | - | - | 934,426 | - | 1,140,968 |
| Prepaid items | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Investments | - | 534,079 | 276,987 | 1,584 | - | - | 1,150,869 | - | - | - | - | - | 1,963,519 |
| Total assets | (33,057) | 827,591 | 324,108 | 24,928 | 1,893,838 | 1,107,050 | 3,980,968 | 814,580 | 231,885 | 214,782 | 16,394,059 | 2,315,985 | 30,917,162 |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | | | |
| LIABILITIES | | | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | | | |
| Accounts payable | - | 2,657 | - | - | 9,295 | - | 33,031 | - | - | - | 387,204 | - | 490,616 |
| Accrued wages payable | - | - | - | - | 42,280 | - | 7,208 | - | - | - | - | - | 168,416 |
| Due to other funds | - | - | - | - | - | - | - | - | - | - | - | - | 388,444 |
| Due to other governmental units | - | - | - | - | - | - | - | - | - | - | - | - | 191,458 |
| Deposits | - | - | - | - | - | - | - | - | - | - | 7,639 | - | 7,639 |
| Other current liabilities | - | - | - | - | - | - | - | - | - | - | - | - | 31,589 |
| Unearned revenues | - | - | - | - | - | 185,427 | - | - | - | - | - | - | 303,942 |
| Total liabilities | - | 2,657 | - | - | 51,575 | 185,427 | 40,239 | - | - | - | 394,843 | - | 1,582,104 |
| FUND BALANCES | | | | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Restricted | (33,057) | 824,934 | 324,108 | 24,928 | 1,842,263 | 921,623 | 3,940,729 | 814,580 | 231,885 | 214,782 | - | 2,315,985 | 13,166,245 |
| Committed | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - | 15,999,216 | - | 16,168,813 |
| Total fund balances | (33,057) | 824,934 | 324,108 | 24,928 | 1,842,263 | 921,623 | 3,940,729 | 814,580 | 231,885 | 214,782 | 15,999,216 | 2,315,985 | 29,335,058 |
| Total liabilities and fund balances | (33,057) | 827,591 | 324,108 | 24,928 | 1,893,838 | 1,107,050 | 3,980,968 | 814,580 | 231,885 | 214,782 | 16,394,059 | 2,315,985 | 30,917,162 |

See notes to financial statements.

COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ending September 30, 2023

| | Special Revenue Funds | | | | | | | | | | | | |
|--|---------------------------|------------------------------------|------------|--------------------|--------------------------|-----------------|----------------|--------------|-------------------------|---------------|-------------------------------|--------------|-------------------|
| | Clerk of Courts | | | Property Appraiser | Sheriff | | | | Supervisor of Elections | Tax Collector | Board of County Commissioners | | |
| | Clerk of Courts Operating | Public Records Modernization Trust | Teen Court | Operating | Minimum Standards School | Drug Task Force | Inmate Welfare | Work Program | Operating | Operating | Court Reporters | Sheriff ESAC | Jail Construction |
| REVENUES | | | | | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, assessments | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenue | 315,312 | - | - | - | - | - | - | - | 55,178 | - | 164,574 | - | - |
| Charges for services | 1,670,482 | 119,868 | 15,001 | 47,765 | - | 6,290 | 344,087 | 48 | - | 2,233,796 | - | - | - |
| Fines and forfeitures | 182,668 | - | - | - | 8,783 | 5,850 | - | - | - | - | - | - | - |
| Interest income | 26,638 | - | - | 43 | 206 | 463 | 7,025 | 78 | - | 6,021 | - | 1,238 | 11,826 |
| Miscellaneous | - | - | - | 425 | - | 218 | 63,538 | - | 12,458 | 3,958 | - | - | - |
| Total revenues | 2,195,100 | 119,868 | 15,001 | 48,233 | 8,989 | 12,821 | 414,650 | 126 | 67,636 | 2,243,775 | 164,574 | 1,238 | 11,826 |
| EXPENDITURES | | | | | | | | | | | | | |
| Current Expenditures | | | | | | | | | | | | | |
| General government | 966,653 | 5,882 | - | 2,069,063 | - | - | - | - | 1,242,852 | 2,038,477 | 191,223 | - | - |
| Public safety | - | - | - | - | 8,375 | 13,408 | 180,003 | - | - | - | - | - | 71,076 |
| Physical environment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Culture/recreation | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Court - related | 1,762,559 | 41,295 | 9,000 | - | - | - | - | - | - | - | - | - | - |
| Capital outlay | | | | | | | | | | | | | |
| General government | - | 113,986 | - | 3,337 | - | - | - | - | 44,277 | - | - | - | - |
| Public safety | - | - | - | - | - | 45,729 | 166,467 | - | - | - | - | - | - |
| Physical environment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Culture/recreation | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Court - related | 2,739 | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt service | | | | | | | | | | | | | |
| Principal | 4,770 | - | - | 4,568 | - | - | 2,837 | - | 31,253 | - | - | - | - |
| Interest | 463 | - | - | 212 | - | - | 2,760 | - | 4,749 | - | - | - | - |
| Total expenditures | 2,737,184 | 161,163 | 9,000 | 2,077,180 | 8,375 | 59,137 | 352,067 | - | 1,323,131 | 2,038,477 | 191,223 | - | 71,076 |
| Excess of revenues over (under) expenditures | (542,084) | (41,295) | 6,001 | (2,028,947) | 614 | (46,316) | 62,583 | 126 | (1,255,495) | 205,298 | (26,649) | 1,238 | (59,250) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | | |
| Sale of fixed assets | - | - | - | - | - | - | - | - | - | - | - | 209,120 | - |
| Debt proceeds | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Lease financings | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interfund transfers in | 542,084 | - | - | 2,028,947 | - | - | - | - | 1,255,495 | - | - | - | - |
| Interfund transfers out | - | - | - | - | - | - | - | - | (205,298) | - | - | (240,019) | (600,000) |
| Total other financing sources (uses) | 542,084 | - | - | 2,028,947 | - | - | - | - | 1,255,495 | (205,298) | - | (30,899) | (600,000) |
| Net change in fund balances | - | (41,295) | 6,001 | - | 614 | (46,316) | 62,583 | 126 | - | - | (26,649) | (29,661) | (659,250) |
| Fund balances beginning of year | - | 433,993 | 27,445 | - | 19,436 | 79,802 | 1,053,372 | 12,894 | - | - | 139,893 | 51,247 | 828,847 |
| Fund balances end of year | \$ - | \$ 392,698 | \$ 33,446 | \$ - | \$ 20,050 | \$ 33,486 | \$ 1,115,955 | \$ 13,020 | \$ - | \$ - | \$ 113,244 | \$ 21,586 | \$ 169,597 |

(Continued)

See notes to financial statements.

COLUMBIA COUNTY FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ending September 30, 2023

| | Special Revenue Funds | | | | | | | Debt Service Funds | | | Capital Projects Funds | | | |
|--|-------------------------------|---------------|-------------|-------------------------|---------------------------|------------|-------------------------|--------------------|-------------------------------|--------------------|------------------------|---------------------------|-----------------------------------|--|
| | Board of County Commissioners | | | | | | | | | | | | | |
| | CDBG | Court Service | Impact Fees | Law Enforcement Special | Library Enhancement Grant | SHIP | Tourist Development Tax | Jail Debt Service | Road Improvement Debt Service | Paving Assessments | County Facilities | Sheriff Construction Fund | Total Nonmajor Governmental Funds | |
| REVENUES | | | | | | | | | | | | | | |
| Taxes | \$ - | \$ 350,000 | \$ - | \$ - | \$ 1,087,705 | \$ - | \$ 2,118,452 | \$ - | \$ 594,325 | \$ - | \$ - | \$ - | \$ 4,150,482 | |
| Licenses, permits, assessments | - | - | - | - | - | - | - | - | - | 5,688 | - | - | 5,688 | |
| Intergovernmental revenue | 13,332 | - | - | - | 704,360 | 677,517 | - | 640,000 | - | - | 1,344,737 | - | 3,915,010 | |
| Charges for services | - | 136,601 | - | - | 7,437 | - | - | - | - | - | - | - | 4,581,375 | |
| Fines and forfeitures | - | - | - | - | 11,922 | - | - | - | - | - | - | - | 209,223 | |
| Interest income | - | 19,336 | 4,015 | 156 | 23,899 | 2,777 | 60,766 | 3,053 | 1,840 | 1,046 | 81,517 | 20,770 | 272,713 | |
| Miscellaneous | - | - | - | - | 11,931 | 83,300 | 25,515 | - | - | - | - | - | 201,343 | |
| Total revenues | 13,332 | 505,937 | 4,015 | 156 | 1,847,254 | 763,594 | 2,204,733 | 643,053 | 596,165 | 6,734 | 1,426,254 | 20,770 | 13,335,834 | |
| EXPENDITURES | | | | | | | | | | | | | | |
| Current Expenditures | | | | | | | | | | | | | | |
| General government | - | 15,912 | - | - | - | - | - | - | - | 1,263 | 76,008 | - | 6,607,333 | |
| Public safety | - | - | - | - | - | - | - | - | - | - | 43,077 | 125,868 | 441,807 | |
| Physical environment | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Transportation | - | - | - | - | - | - | - | - | - | 161 | 3,008 | - | 3,169 | |
| Economic environment | 39,722 | 12,040.00 | - | - | - | 677,517 | 1,144,400 | - | - | - | - | - | 1,873,679 | |
| Human services | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Culture/recreation | - | (176) | - | - | 1,815,206 | - | 12,500 | - | - | - | 40,000 | - | 1,867,530 | |
| Court-related | - | 474,872 | - | - | - | - | - | - | - | - | - | - | 2,287,726 | |
| Capital outlay | | | | | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - | - | - | 161,600 | |
| Public safety | - | - | - | - | - | - | - | - | - | - | 205,226 | - | 417,422 | |
| Physical environment | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Transportation | - | - | - | - | - | - | - | - | - | - | 2,120,850 | - | 2,120,850 | |
| Economic environment | - | - | - | - | - | - | 8,290 | - | - | - | - | - | 8,290 | |
| Human services | - | - | - | - | - | - | - | - | - | - | 18,834 | - | 18,834 | |
| Culture/recreation | - | - | - | - | - | - | - | - | - | - | 458,251 | - | 458,251 | |
| Court-related | - | - | - | - | - | - | - | - | - | - | - | - | 2,739 | |
| Debt service | | | | | | | | | | | | | | |
| Principal | - | - | - | - | - | - | 2,728 | 504,855 | 615,001 | - | - | - | 1,166,012 | |
| Interest | - | - | - | - | - | - | 753 | 130,984 | 187,281 | - | - | - | 327,202 | |
| Total expenditures | 39,722 | 502,648 | - | - | 1,815,206 | 677,517 | 1,168,671 | 635,839 | 802,282 | 1,424 | 2,965,254 | 125,868 | 17,762,444 | |
| Excess of revenues over (under) expenditures | (26,390) | 3,289 | 4,015 | 156 | 32,048 | 86,077 | 1,036,062 | 7,214 | (206,117) | 5,310 | (1,539,000) | (105,098) | (4,426,610) | |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | | | |
| Sale of fixed assets | - | - | - | - | - | - | - | - | - | - | - | - | 209,120 | |
| Debt proceeds | - | - | - | - | - | - | - | - | - | - | 5,665,165 | - | 5,665,165 | |
| Interfund transfers in | - | - | - | - | - | - | - | - | - | - | 11,520,850 | 367,000 | 15,714,376 | |
| Interfund transfers out | - | - | - | - | - | - | (430,000) | - | - | (3,000) | (300,000) | - | (1,778,317) | |
| Total other financing sources (uses) | - | - | - | - | - | - | (430,000) | - | - | (3,000) | 16,886,015 | 367,000 | 19,810,344 | |
| Net change in fund balances | (26,390) | 3,289 | 4,015 | 156 | 32,048 | 86,077 | 606,062 | 7,214 | (206,117) | 2,310 | 15,347,015 | 261,902 | 15,383,734 | |
| Fund balances beginning of year | (6,667) | 821,645 | 320,093 | 24,772 | 1,810,215 | 835,546 | 3,334,667 | 807,366 | 438,002 | 212,472 | 652,201 | 2,054,083 | 13,951,324 | |
| Fund balances end of year | \$ (33,057) | \$ 824,934 | \$ 324,108 | \$ 24,928 | \$ 1,842,263 | \$ 921,623 | \$ 3,940,729 | \$ 814,580 | \$ 231,885 | \$ 214,782 | \$ 15,999,216 | \$ 2,315,985 | \$ 29,335,058 | |

See notes to financial statements.

**COLUMBIA COUNTY FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
September 30, 2023**

| | Clerk of Circuit Court | | | | | Sheriff | | | | Tax Collector | | |
|---------------------------------|------------------------|-------------------|--------------------|--------------|---------------------------------|-----------------------|--------------|----------------|----------------|---------------|-----------------------|--------------|
| | Clerk's Trust | Employee Sunshine | Domestic Relations | Jury Witness | Public Defender Occupancy Trust | Individual Depositors | Inmate Trust | Donation Trust | Evidence Trust | Tag Agency | Ad Valorem Tax Agency | Totals |
| ASSETS | | | | | | | | | | | | |
| Cash | \$ 1,974,001 | \$ 2,330 | \$ 931 | \$ 3,849 | \$ 8,083 | \$ 7,486 | \$ 395,132 | \$ 11,963 | \$ 104,382 | \$ 135,907 | \$ 1,657,212 | \$ 4,301,276 |
| Accounts receivable | 10 | - | - | - | 147 | - | - | - | - | 2,344 | - | 2,501 |
| Due from other funds | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | \$ 1,974,011 | \$ 2,330 | \$ 931 | \$ 3,849 | \$ 8,230 | \$ 7,486 | \$ 395,132 | \$ 11,963 | \$ 104,382 | \$ 138,251 | \$ 1,657,212 | \$ 4,303,777 |
| LIABILITIES | | | | | | | | | | | | |
| Accounts payable | \$ 100 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 104 | \$ - | \$ - | \$ - | \$ 204 |
| Court fees payable | 464,415 | - | - | - | - | - | - | - | - | - | - | 464,415 |
| Due to other funds | 187,515 | - | - | - | - | 5,996 | 39,009 | - | - | - | 46,572 | 279,092 |
| Due to other governmental units | 501,549 | - | 931 | 10 | - | - | - | - | - | 122,971 | 1,439,382 | 2,064,843 |
| Total liabilities | 1,153,579 | - | 931 | 10 | - | 5,996 | 39,009 | 104 | - | 122,971 | 1,485,954 | 2,808,554 |
| NET POSITION | \$ 820,432 | \$ 2,330 | \$ - | \$ 3,839 | \$ 8,230 | \$ 1,490 | \$ 356,123 | \$ 11,859 | \$ 104,382 | \$ 15,280 | \$ 171,258 | \$ 1,495,223 |

See notes to financial statements.

COLUMBIA COUNTY FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Fiscal Year Ended September 30, 2023

| | Clerk of Courts | | | | | Sheriff | | | | Tax Collector | | |
|---------------------------------------|-------------------|-----------------|--------------|-----------------|-----------------|-----------------|----------------|---------------|----------------|------------------|-------------------|---------------------|
| | Clerk's | Employee | Domestic | Jury | Public | Individual | Inmate | Donation | Evidence | Tag | Ad | |
| | Trust | Sunshine | Relations | Witness | Defender | Depositors | Trust | Trust | Trust | Agency | Valorem Tax | Totals |
| | Trust | Sunshine | Relations | Witness | Occupancy | Depositors | Trust | Trust | Trust | Agency | Agency | Totals |
| ADDITIONS | | | | | | | | | | | | |
| Funds held for others | \$ 794,235 | \$ 1,220 | \$ - | \$ 13,000 | \$ 85,223 | \$ - | 622,871 | 39,273 | 47,140 | \$ 213,774 | \$ 6,733,207 | \$ 8,549,943 |
| Cash bonds | 227,339 | - | - | - | - | - | - | - | - | - | - | 227,339 |
| Taxes collected for other governments | - | - | - | - | - | - | - | - | - | - | 64,902,726 | 64,902,726 |
| Tax Collector licenses and fees | - | - | - | - | - | - | - | - | - | 7,710,143 | - | 7,710,143 |
| Sheriff civil fees | - | - | - | - | - | 110,285 | - | - | - | - | - | 110,285 |
| Fines, fees and court costs | 7,956,335 | - | 5,230 | - | - | - | - | - | - | - | - | 7,961,565 |
| Total additions | 8,977,909 | 1,220 | 5,230 | 13,000 | 85,223 | 110,285 | 622,871 | 39,273 | 47,140 | 7,923,917 | 71,635,933 | 89,462,001 |
| DEDUCTIONS | | | | | | | | | | | | |
| Funds held for others | 755,035 | 1,054 | 5,230 | 10,492 | 89,608 | - | 600,107 | 40,585 | 72,987 | 214,081 | 6,751,930 | 8,541,109 |
| Cash bonds | 356,365 | - | - | - | - | - | - | - | - | - | - | 356,365 |
| Fines, fees and court costs | 7,956,335 | - | - | - | - | - | - | - | - | - | - | 7,956,335 |
| Taxes and fees payable | - | - | - | - | - | - | - | - | - | 7,710,143 | 64,902,728 | 72,612,871 |
| Sheriff civil fees | - | - | - | - | - | 108,795 | - | - | - | - | - | 108,795 |
| Total deductions | 9,067,735 | 1,054 | 5,230 | 10,492 | 89,608 | 108,795 | 600,107 | 40,585 | 72,987 | 7,924,224 | 71,654,658 | 89,575,475 |
| Change in net position | (89,826) | 166 | - | 2,508 | (4,385) | 1,490 | 22,764 | (1,312) | (25,847) | (307) | (18,725) | (113,474) |
| Net position - beginning of year | 910,258 | 2,164 | - | 1,331 | 12,615 | - | 333,359 | 13,171 | 130,229 | 15,587 | 189,983 | 1,608,697 |
| Net position - end of year | \$ 820,432 | \$ 2,330 | \$ - | \$ 3,839 | \$ 8,230 | \$ 1,490 | 356,123 | 11,859 | 104,382 | \$ 15,280 | \$ 171,258 | \$ 1,495,223 |

OTHER REPORTS AND LETTERS

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

To the Board of County Commissioners
and Constitutional Officers
Columbia County, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbia County, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Columbia County, Florida's basic financial statements, and have issued our report thereon dated July 17, 2024.

Internal Control Over Financial Reporting

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

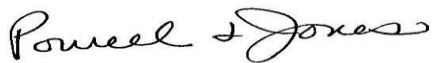
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that may not have been identified. We did identify one significant deficiency identified as "2023-01" on the schedule of findings and questioned cost.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES

Certified Public Accountants

July 17, 2024

MANAGEMENT LETTER

Honorable Board of
County Commissioners
and Constitutional Officers
Columbia County, Florida

We have audited the financial statements of Columbia County, Florida, as of and for the year ended September 30, 2023, and have issued our report thereon dated July 17, 2024.

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. We have issued our Independent Auditor's Report 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 with Requirements that Could have a Direct and Material Effect on Each Major State Project and on Internal Control over Compliance in Accordance with Chapter 10.550 *Rules of the Auditor General*, and Schedule of Findings. Disclosures in those reports and schedule, which are dated May 15, 2023, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following items be addressed in this letter.

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.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

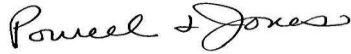
AUDITOR GENERAL COMPLIANCE MATTERS

Financial Emergency Status - We determined that the County had not met any of conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General*, Sections 10.544(1)(i)5.a. and 10.556(7), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.550.

CONCLUSION - We have reviewed information regarding our audit with appropriate County officials and management and have provided them with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the County. We look forward to a long and mutually beneficial relationship with the Board of County Commissioners and other County Officials and employees. We also appreciate the helpful assistance and courtesy afforded us by all County employees.

A handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
July 17, 2024

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of County Commissioners
Columbia County, Florida

We have examined the Columbia County, Florida's (the County) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. We have also examined the Clerk of the Circuit Court's (Clerk's) compliance with Section 61.181, *Florida Statutes*, regarding the Clerk's alimony and child support payments and Sections 28.35 and 28.36; *Florida Statutes* as to the following during the fiscal year ended September 30, 2023:

- a. The budget and performance standards developed and certified by the Florida Clerk of Courts Operations Corporation and Sections 28.35 and 28.36 *Florida Statutes*.

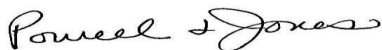
We also examined the County's compliance with Section 365.172(10) and 365.173(2)(d) *Florida Statutes* and requirements specified by the E911 board grant and special disbursement programs. These laws require that E911 fee revenues, interest and E911 grant funding be used to pay for authorized expenditures as specified in the *Statutes*.

Management is responsible for the County's and Clerk's respective compliance with those requirements. Our responsibility is to express an opinion on the County's and the Clerk's compliance based on our examinations.

Our examinations were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's and the Clerk's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the County's and the Clerk's compliance with specified requirements.

In our opinion, Columbia County, Florida and the Columbia County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of Columbia County, Florida, the Clerk, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
July 17, 2024

**SUPPLEMENTAL INFORMATION
SINGLE AUDIT**

**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**

Honorable Board of County Commissioners
and Constitutional Officers
Columbia County, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Columbia County, Florida's 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 Columbia County, Florida's major Federal programs and State projects for the year ended September 30, 2023. Columbia County, Florida'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, Columbia County, Florida 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, 2023.

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; and 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 and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Columbia County, Florida 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. Our audit does not provide a legal determination of Columbia County, Florida'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 Columbia County, Florida's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Columbia County, Florida'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 noncompliance when it exists. The risk of not detecting material noncompliance 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. Noncompliance 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 Columbia County, Florida'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 noncompliance, 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 Columbia County, Florida'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 Columbia County, Florida'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, but not for the purpose of expressing an opinion on the effectiveness of Columbia County, Florida'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

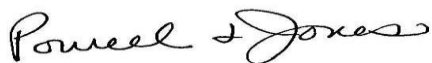
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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 noncompliance 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 or 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.

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.

Powell and Jones CPA

A handwritten signature in cursive script, appearing to read "Powell & Jones".

Lake City, Florida
July 17, 2024

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2023

| FEDERAL OR STATE GRANTOR / PASS THROUGH GRANTOR / PROGRAM TITLE | ALN | Grant # NEED NUMBER | Program and award amount | Expenditures |
|---|------------|--------------------------------|-------------------------------------|---------------------|
| FEDERAL AWARDS | | | | |
| <i>U.S. Department of Housing and Urban Development passed through the State of Florida Department of Economic Opportunity</i> | | | | |
| Community Development Block Grant - Small Cities | 14.228 | 22DB-OP-33-22-01-H04 | 750,000 | 39,722 |
| Community Development Block Grant - Hi-Dry Acres Stormwater | 14.228 | IR048 | 4,762,258 | 227,267 |
| Community Development Block Grant - Parnell Hills Stormwater | 14.228 | IR044 | 3,614,119 | 185,813 |
| Community Development Block Grant - Ellisville Wastewater | 14.228 | G527 | 1,045,000 | 1,165,978 |
| | | | <u>10,171,377</u> | <u>1,618,780</u> |
| <i>U.S. Department of Justice</i> | | | | |
| passed through Bureau of Justice Assistance/Office of Criminal Justice Grants | | | | |
| Bulletproof Vest Grant Partnership Program | 16.607 | FY2021 | 6,300 | 5,181 |
| Bulletproof Vest Grant Partnership Program | 16.607 | FY2021 | 6,899 | 2,997 |
| Equitable Sharing Agreement and Certification - Law Enforcement Equipment | 16.922 | 1123-001 | 240,019 | 240,019 |
| | | | <u>253,218</u> | <u>248,197</u> |
| <i>U.S. Elections Assistance Commission</i> | | | | |
| passed through the Florida Department of State Division of Elections | | | | |
| Voting System Equipment Grant | 90.401 | MOA#2015-2016-0006-COL | 55,180 | 55,180 |
| | | | <u>55,180</u> | <u>55,180</u> |
| <i>U.S. Department of Health and Human Services</i> | | | | |
| passed through the Florida Department of Revenue | | | | |
| Title IV-D Funds | 93.563 | | 77,319 | 77,319 |
| | | | <u>77,319</u> | <u>77,319</u> |
| <i>U.S. Department of Homeland Security</i> | | | | |
| <i>Federal Emergency Management Agency</i> | | | | |
| Homeland Security Grant Program Crime Analyst FY20 | 97.067 | R0288 | 58,000 | 7,216 |
| Homeland Security Grant Program Crime Analyst FY19 | 97.067 | R0580 | 58,000 | 36,576 |
| Hazard Mitigation Grant IRMA | 97.039 | H0239 PROJ #4337-083-R | 819,871 | 13,729 |
| Passed through the State of Florida Executive Office of the Governor | | | | |
| Emergency Management Performance (EMPG) | 97.042 | G3099 | 52,372 | 47,354 |
| | | | <u>988,243</u> | <u>104,875</u> |
| TOTAL FEDERAL AWARDS | | | <u>11,545,337</u> | <u>2,104,351</u> |

See notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2023

| FEDERAL OR STATE GRANTOR / PASS THROUGH GRANTOR / PROGRAM TITLE | CFSA # | Grant # | Program and award amount | Expenditures |
|--|---------------|-------------------|-------------------------------------|----------------------|
| STATE FINANCIAL ASSISTANCE | | | | |
| Department of Emergency Management | | | | |
| Emergency Management Preparedness and Assistance Grant | 31.063 | A0195 | 105,806 | 5,649 |
| Emergency Management Preparedness and Assistance Grant | 31.063 | A0265 | 105,806 | 88,672 |
| Emergency Management Preparedness and Assistance Grant | 31.063 | A0402 | 105,806 | 26,221 |
| | | | <u>317,418</u> | <u>120,542</u> |
| Florida Department of Environmental Protection | | | | |
| Small County Solid Waste Grant Agreement | 37.012 | SC304 | 97,326 | 131,465 |
| I-75 / SR 247 Regional Pond | 37.039 | LPR0015 | 2,510,000 | 136,812 |
| | | | <u>2,607,326</u> | <u>268,277</u> |
| Florida Department of Financial Services | | | | |
| Volunteer Firefighter Grant Assistance | 43.006 | FM752 | 72,125 | 41,028 |
| | | | <u>72,125</u> | <u>41,028</u> |
| Florida Department of Health | | | | |
| Emergency Medical Services (EMS) County Grant | 64.005 | C1012 | 28,797 | 25,143 |
| | | | <u>28,797</u> | <u>25,143</u> |
| Florida Department of Economic Opportunity | | | | |
| Growth Management Implementation | 40.042 | P0456 | 65,000 | 65,000 |
| Economic Development Tax Refund, Tax Credit, and Grant Program | 40.043 | G00045 | 14,200,000 | 13,404,587 |
| | | | <u>14,265,000</u> | <u>13,469,587</u> |
| Department of Agriculture and Consumer Services | | | | |
| Anthropod Mosquito Control State Aid | 42.003 | 29481 | 46,489 | 37,310 |
| | | | <u>46,489</u> | <u>37,310</u> |
| Florida Department of State | | | | |
| State Aid to Libraries Grant | 45.030 | 23-ST-09 | 554,360 | 554,360 |
| | | | <u>554,360</u> | <u>554,360</u> |
| Florida Housing Finance Corporation | | | | |
| State Housing Initiatives Program | | | | |
| SHIP Grant Program YR 21/22 | 40.901 | FY21-22 | 496,459 | 171,732 |
| SHIP Grant Program YR 22/23 | 40.901 | FY22-23 | 668,830 | 505,785 |
| | | | <u>1,165,289</u> | <u>677,517</u> |
| Florida Department of Transportation | | | | |
| Jordan Street SCOP | 55.009 | G2156 | 408,827 | 2,270 |
| Queen Chambria Windfield | 55.009 | G2500 | 2,475,000 | 27,515 |
| Small County Outreach Program - Cypress Lake Rd | 55.009 | G1F07 | 3,363,750 | 798,344 |
| | | | <u>6,247,577</u> | <u>828,129</u> |
| Florida Department of Law Enforcement | | | | |
| Criminal Justice Data Transparency Implementation Assistance Program | 71.044 | 2022-DTSFA-D2-014 | 105,000 | 105,000 |
| Law Enforcement Salary Assistance for Fiscally Constrained Counties | 71.067 | 7G018 | 1,129,858 | 1,129,858 |
| | | | <u>1,234,858</u> | <u>1,234,858</u> |
| Florida E-911 Board | | | | |
| Fall 2022 State Grant | 72.003 | S22-23-01-14 | 57,665 | 57,665 |
| Spring 2023 Rural Grant | 72.001 | 23-04-15 | 110,702 | 109,547 |
| | | | <u>168,367</u> | <u>167,212</u> |
| TOTAL STATE FINANCIAL ASSISTANCE | | | <u>\$ 26,707,606</u> | <u>\$ 17,423,963</u> |

See notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.

COLUMBIA COUNTY, FLORIDA

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance For the Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state award activity of Columbia County, Florida and is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General.

A. Reporting Entity

The reporting entity consists of Columbia County, the primary government, and each of its component units. The County includes a Schedule of Expenditures of Federal Awards and State Financial Assistance in the Supplemental Information.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurements made, regardless of the measurement focus.

The accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards and State Financial Assistance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2. Indirect Cost Rate

The County did not elect to use the 10% de minimis cost rate.

NOTE 3. Subrecipients

The County had no subrecipients during the fiscal year.

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2023

Summary of Auditor's Results

Financial Statements

| | |
|--|------------|
| Type of auditor's report issued | Unmodified |
| Internal control over financial reporting | |
| *Material weakness identified? | No |
| *Significant deficiencies identified not considered to be a material weakness? | Yes |
| Noncompliance material to financial statements | No |

Federal Awards

| | |
|--|---------------|
| Internal control over major programs: | |
| * Material weakness identified? | No |
| * Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
| Type of auditor's report issued on compliance for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200 | No |

Identification of major programs:

Assistance Listing Number
14.228

Name of Federal Programs
Department of Housing and Urban Development
Community Development Block Grant

| | |
|--|-----------|
| Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| Auditee qualified as low risk auditee? | Yes |

State Financial Assistance

| | |
|---|---------------|
| Internal control over major projects: | |
| • Material weakness identified? | No |
| • Significant deficiencies identified not considered to be material weaknesses? | None reported |
| Type of auditor's report issued on compliance for major projects: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, <i>Rules of the Auditor General</i> ? | No |

Identification of Major Programs:

Assistance Listing Number
55.009
40.043
71.067

Name of State Programs
DEPARTMENT OF TRANSPORTATION
Small County Outreach Program
DEPARTMENT OF ECONOMIC OPPORTUNITY
Economic Development Tax Refund, Tax Credit, and Grant Program
Florida Department of Law Enforcement
Law Enforcement Salary Assistance for Fiscally Constrained Counties

| | |
|--|-----------|
| Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
|--|-----------|

(Continued)

COLUMBIA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2023

Financial Statement Findings

Significant Deficiencies
Supervisor of Elections

2023-1 Bank Reconciliations

The Supervisor's office has been unable to utilize its accounting software to perform bank reconciliations. As a result, we found that for the period from October 1, 2022, through September 30, 2023 that there had been no bank reconciliations completed.

Sound internal controls require reconciliation of cash accounts within a reasonable time period after receipt of the bank statement. If bank accounts are not reconciled on a monthly basis, errors or other issues may not be reconciled or resolved on a timely manner.

As a result of this matter, the Supervisor's office was unable to detect two duplicate entries and multiple other transactions that were not entered during the year, the accumulation of such errors would have resulted in a material misstatement had they not been found and corrected during the audit.

We recommend the Supervisor's office update its accounting software to a system that includes the ability to reconcile its bank statements, and that it begins to complete bank reconciliations on a monthly basis.

2023-2: Classification Review

The Supervisor's office receives the majority of its financial support through scheduled transfers from Columbia County's Board of County Commissioners (the Board). These transfers are intended to cover the Supervisor's approved budget for the year. After year-end, the Supervisor returns any excess funds received less expenditures incurred (net income) back to the Board. During the audit, we found that in June 2023, the Supervisor had recorded a liability for its monthly receipt from the Board of \$104,905 instead of recognizing it as an incoming transfer. The result was that the Supervisor's net income was lower, and accordingly, substantially less was returned to the Board than was due after year-end.

We recommend that the Supervisor's office include an internal control procedure whereby on a monthly basis, a review of a general ledger report containing the month's transactions be conducted to see if any material transactions were misclassified, and corrections, if necessary are made.

Federal Awards Findings and Questioned Costs

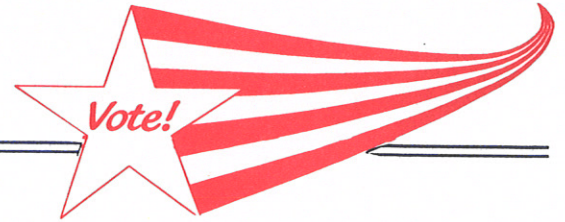
None

State Financial Assistance Findings and Questioned Costs

None

Tomi S. Brown

SUPERVISOR OF ELECTIONS, COLUMBIA COUNTY



July 1, 2024

Ms. Sherrill F. Norman, C.P.A.
AUDITOR GENERAL
State of Florida
The Capital
Tallahassee, Florida 32399

RE: Response to Management Letter – Annual Financial Report Fiscal Year Ended
September 30, 2023 Columbia County, Florida Supervisor of Elections

Dear Auditor General:

Columbia County Supervisor of Elections provides the following response to the current year findings within the management letter issued to the Supervisor in the above referenced financial report.

Prior Year Findings

There were no reportable findings in the prior year.

Current Year Findings

2023-1: Bank Reconciliations

My office has updated our software and will insure cash accounts are reconciled on a monthly basis.

2023-2: Classification Review

My office has implemented a monthly procedure to review the general ledger's transactions to insure proper classifications and make corrections, if necessary.

Sincerely,



Tomi Brown
Supervisor of Elections

XC: Powell and Jones CPA
Outgoing Correspondence



Office (386) 758-1026 ★ Fax (386) 755-7233
971 W. Duval Street, Suite 102 ★ Lake City, Florida 32055-3734
www.votecolumbia.com ★ Email: election@votecolumbia.com

CLERK OF THE CIRCUIT COURT

**COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2023**

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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200

INDEPENDENT AUDITOR'S REPORT

Honorable Clerk of the Circuit Court, James M Swisher, Jr.
Columbia County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the major funds and aggregate remaining fund information of Columbia County, Florida Clerk of the Circuit Court (the Clerk of the Court), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk of the Court'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 major funds and aggregate remaining fund information of the Clerk of the Court, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance 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 Columbia County Clerk of the Court 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.

The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statutes, and Rule 10.557(5) of Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Tax Collector is part of the reporting for Columbia County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

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.

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 the Clerk of the Court'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 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 the Clerk of the Court'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 the Clerk of the Court'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.

Required Supplementary Information

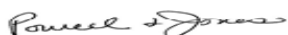
Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk of the Court's basic financial statements. The combining 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report July 16, 2024, on our consideration of the Clerk of the Court'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk of the Court's 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 the Clerk of the Court's internal control over financial reporting and compliance.



Powell and Jones CPA
Lake City, FL
July 16, 2024

BASIC FINANCIAL STATEMENTS

COLUMBIA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2023

| | General Fund | Public Records Modernization Trust Funds | Teen Court Funds | Totals |
|---------------------------------------|-------------------|--|---------------------|-------------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash | \$ 230,766 | \$ 381,173 | \$ 32,645 | \$ 644,584 |
| Due from other funds | 150,020 | 11,525 | 801 | 162,346 |
| Due from other governmental units | - | - | - | - |
| Total assets | <u>\$ 380,786</u> | <u>\$ 392,698</u> | <u>\$ 33,446</u> | <u>\$ 806,930</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Accounts payable | \$ 31 | \$ - | \$ - | \$ 31 |
| Due to Board of County Commissioners | - | - | - | - |
| Due to other governmental units | 183,416 | - | - | 183,416 |
| Accrued wages and payroll liabilities | 47,235 | - | - | 47,235 |
| Unearned revenue | 118,515 | - | - | 118,515 |
| Other current liabilities | 31,589 | - | - | 31,589 |
| Total liabilities | <u>380,786</u> | <u>-</u> | <u>-</u> | <u>380,786</u> |
| FUND BALANCES | | | | |
| Restricted | - | 392,698 | 33,446 | 426,144 |
| Total fund balances | <u>-</u> | <u>392,698</u> | <u>33,446</u> | <u>426,144</u> |
| Total liabilities and fund balances | <u>\$ 380,786</u> | <u>\$ 392,698</u> | <u>\$ 33,446</u> | <u>\$ 806,930</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2023**

| | General Fund | Public Records Modernization Trust | Teen Court | Totals |
|--|------------------|--|------------------|-------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 315,312 | \$ - | \$ - | \$ 315,312 |
| Charges for services | 1,670,482 | 119,868 | 15,001 | 1,805,351 |
| Fines and forfeitures | 182,668 | - | - | 182,668 |
| Miscellaneous | 26,638 | - | - | 26,638 |
| Total revenues | <u>2,195,100</u> | <u>119,868</u> | <u>15,001</u> | <u>2,329,969</u> |
| EXPENDITURES | | | | |
| Current expenditures | | | | |
| General government | \$ 966,653 | \$ 5,882 | \$ - | \$ 972,535 |
| Court related | 1,603,182 | 41,295 | 9,000 | 1,653,477 |
| Capital outlay | | | | |
| General government | - | 113,986 | - | 113,986 |
| Court related | 2,739 | - | - | 2,739 |
| Debt Service | | | | |
| Principal | 4,770 | - | - | 4,770 |
| Interest | 463 | - | - | 463 |
| Total expenditures | <u>2,577,807</u> | <u>161,163</u> | <u>9,000</u> | <u>2,747,970</u> |
| Excess of revenues over (under) expenditures | <u>(382,707)</u> | <u>(41,295)</u> | <u>6,001</u> | <u>(418,001)</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers from the Board of County Commissioners | 542,084 | - | - | 542,084 |
| Transfers to other governmental units | (159,377) | - | - | (159,377) |
| Total other financing sources | <u>382,707</u> | <u>-</u> | <u>-</u> | <u>382,707</u> |
| Net change in fund balance | - | (41,295) | 6,001 | (35,294) |
| Fund balance at beginning of year | - | 433,993 | 27,445 | 461,438 |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ 392,698</u> | <u>\$ 33,446</u> | <u>\$ 426,144</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
September 30, 2023**

| | Custodial Funds |
|--|----------------------------|
| ASSETS | |
| Cash | \$ 1,989,194 |
| Due from other funds | 10 |
| Other current assets | 147 |
| Total assets | \$ 1,989,351 |
| LIABILITIES | |
| Accounts payable | \$ 100 |
| Court fees payable | 464,415 |
| Due to other funds | 162,356 |
| Due to the Board of County Commissioners | 25,169 |
| Due to other governmental units | 502,480 |
| Total liabilities | 1,154,520 |
| Total net position | \$ 834,831 |

See notes to the financial statements.

COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
September 30, 2023

| | Custodial Funds |
|-----------------------------------|--------------------------|
| ADDITIONS | |
| Funds held for others | \$ 893,678 |
| Cash bonds | 227,339 |
| Fines, fees and court costs | 7,961,565 |
| Total additions | <u>9,082,582</u> |
| DEDUCTIONS | |
| Funds held for others | 861,419 |
| Cash bonds | 356,365 |
| Fines, fees and court costs | 7,956,335 |
| Total deductions | <u>9,174,119</u> |
| Change in net position | (91,537) |
| Net position at beginning of year | 926,368 |
| Net position at end of year | <u><u>\$ 834,831</u></u> |

See notes to the financial statements.

COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Columbia County Clerk of the Circuit Court (the Clerk).

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Clerk, as established by Article VIII of the Constitution of the State of Florida, is an elected official of Columbia County, Florida (the County). Although the Clerk's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is reported as a part of the primary government of Columbia County, Florida. The Clerk's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

These special purpose financial statements of the Clerk are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

B. Fund Accounting - Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group utilized by the Clerk are as follows:

(i) **Governmental Funds**

General Fund - The General Fund of the Clerk is used to account for all financial resources which are generated from operations of the Clerk's office, or any other resources not required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2023, the Clerk maintained the following:

Public Records Modernization Trust Fund
Teen Court Fund

(ii) **Fiduciary Funds**

Custodial Funds - Custodial Funds are used to account for assets held by the Clerk as an agent for individuals, private organizations, other governments, and/or other funds. The following Custodial Funds are maintained by the Clerk.

Trust
Employee Sunshine Fund
Domestic Relations
Jury and Witness
Public Defender Occupancy Trust

C. Basis of Accounting - The Basis of Accounting refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Clerk currently maintains its accounting records for all funds on the cash basis. However, for financial statement purposes, appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations.

D. Budget - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the appropriations to the General Fund of the Clerk. The Clerk also initially prepares and appropriately amends internally the Clerk's General Fund budget.

In the budget comparisons included in these financial statements, both the amounts budgeted, and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriations budget of the Clerk.

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2023, the book balance of the Clerk's deposits was \$2,633,778. The bank balance was \$2,691,316. This bank balance was covered by federal depository insurance and pledged collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

The collateral for the Clerk's deposits is categorized to give an indication of the level of risk assumed by the Clerk at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Clerk or his agent in the Clerk's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Clerk's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent, but not in the Clerk's name. All of the collateral covering the Clerk's deposits was Category 1.

F. Inventories - It is the policy of the Clerk to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the General Capital Assets Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation expense has been recorded on the County's general fixed assets. Assets purchased by the Clerk are reported in the County's Governmental Capital Assets Accounts.

H. Compensated Absences - The Clerk follows generally accepted accounting principles in accounting for accrued compensated absences. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid by the Clerk and this practice is expected to continue in the future. The Clerk maintained compensated absence records for the hours earned, used and available. As of September 30, 2023, the balance of compensated absences is \$138,401.

I. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Risk Management - The Clerk is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Clerk directly purchases insurance and participates in the risk management program through the Columbia County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

NOTE 3. PENSION PLAN

Plan Description - The Clerk contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee non-contributory through June 30, 2011. Effective July 1, 2011, employees must contribute 3% of their gross wages. The Supervisor of Elections is required to contribute at an actuarially determined rate. The rates from October 1, 2021 through June 30, 2022 and from July 1, 2022 through September 30, 2022, were as follows:

| Class | October 1, 2022 - June 30, 2023 | July 1, 2023 - September 30, 2023 |
|---|------------------------------------|--------------------------------------|
| Regular Class | 11.91% | 13.57% |
| Special Risk Class | 27.83% | 32.67% |
| Special Risk Administrative Support | 38.65% | 39.82% |
| County Elected Officers | 57.00% | 60.00% |
| Senior Management Class | 31.57% | 34.52% |
| Deferred Retirement Option Program (DROP) | 18.60% | 21.13% |

The contribution requirements of plan members and the Clerk are established and may be amended by the Florida Legislature. The Clerk's contributions to the System for the years ending September 30, 2023, 2022, and 2021 were \$277,758, \$235,773, and \$200,658, respectively, equal to the required contributions for each year.

NOTE 4. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2023 were:

| | Interfund Receivables | Interfund Payables |
|------------------------------------|--------------------------|-----------------------|
| General Fund | \$ 150,020 | \$ - |
| Public Records Modernization Trust | 11,525 | - |
| Teen Court | 801 | - |
| Trust | 10 | 162,346 |
| Jury Witness | - | 10 |
| | <u>\$ 162,356</u> | <u>\$ 162,356</u> |

NOTE 5. LEASE COMMITMENTS

The Clerk has various leases for office equipment with remaining terms of one to five years at various monthly rates. The Clerk reports leases with terms of one year or less as rent expenditures which totaled \$2,828 for the year ending September 30, 2023. Long term leases were reported as debt service principal and interest of \$4,770 and \$463 in the governmental fund financial statements as of September 30, 2023. Leases held by the Clerk are reported as a right-of-use asset and lease liability in the government-wide financial statements of the County, in accordance with SGAS No. 87. The schedule below shows the annual interest expense and lease principal payments to maturity as of September 30, 2023:

| Year | Principal | Interest | Payment |
|------|------------------|---------------|------------------|
| 2024 | 4,927 | 306 | 5,233 |
| 2025 | 3,877 | 148 | 4,025 |
| 2026 | 2,848 | 90 | 2,938 |
| | <u>\$ 11,653</u> | <u>\$ 543</u> | <u>\$ 12,196</u> |

NOTE 6. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2023, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the governing body. Commitments may be established, modified, or rescinded only through resolutions approved by the governing body.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Clerk.

Unassigned - all other spendable amounts.

Fund balances with restrictions are as follows at September 30, 2023:

| | Classification | | | | | Total |
|---------------------|----------------|-------------------|-------------|-------------|-------------|-------------------|
| | Nonspendable | Restricted | Committed | Assigned | Unassigned | |
| Public Records | | | | | | |
| Modernization Trust | \$ - | \$ 392,698 | \$ - | \$ - | \$ - | \$ 392,698 |
| Teen Court | - | 33,446 | - | - | - | 33,446 |
| | <u>\$ -</u> | <u>\$ 426,144</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 426,144</u> |

NOTE 7. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Clerk expects such amounts, if any, to be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

**COLUMBIA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023**

| | Original budget | Final Budget | General Fund | Variance With Final Budget Positive (Negative) |
|--|--------------------|-------------------|------------------|---|
| REVENUES | | | | |
| Intergovernmental | \$ - | \$ - | \$ 315,312 | \$ 315,312 |
| Charges for services | 1,669,704 | 1,669,704 | 1,670,482 | 778 |
| Fines and forfeitures | - | - | 182,668 | 182,668 |
| Miscellaneous | - | - | 26,638 | 26,638 |
| Total revenues | <u>1,669,704</u> | <u>1,669,704</u> | <u>2,195,100</u> | <u>525,396</u> |
| EXPENDITURES | | | | |
| Current expenditures | | | | |
| General government | 277,400 | 277,400 | 966,653 | (689,253) |
| Court related | 1,664,471 | 1,664,471 | 1,603,182 | 61,289 |
| Capital outlay | | | | - |
| General government | | | - | - |
| Court related | - | - | 2,739 | (2,739) |
| Debt Service | | | | |
| Principal | 4,770 | 4,770 | 4,770 | - |
| Interest | 463 | 463 | 463 | - |
| Total expenditures | <u>1,947,104</u> | <u>1,947,104</u> | <u>2,577,807</u> | <u>(630,703)</u> |
| Excess of revenues over (under) expenditures | <u>(277,400)</u> | <u>(277,400)</u> | <u>(382,707)</u> | <u>(105,307)</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers from the Board of County Commissioners | 542,084 | 542,084 | 542,084 | - |
| Transfers to other governmental units | - | - | (159,377) | (159,377) |
| Total other financing sources | <u>542,084</u> | <u>542,084</u> | <u>382,707</u> | <u>(159,377)</u> |
| Net change in fund balance | 264,684 | 264,684 | - | (264,684) |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | <u>\$ 264,684</u> | <u>\$ 264,684</u> | <u>\$ -</u> | <u>\$ (264,684)</u> |

See notes to financial statements.

OTHER SUPPLEMENTARY INFORMATION

**COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET POSITION
September 30, 2023**

| | Clerk's Trust | Employee Sunshine | Domestic Relations | Jury Witness | Public Defender Occupancy Trust | Total Custodial Funds |
|--|---------------------|----------------------|-----------------------|-----------------|--|--------------------------|
| ASSETS | | | | | | |
| Cash | \$ 1,974,001 | \$ 2,330 | \$ 931 | \$ 3,849 | \$ 8,083 | \$ 1,989,194 |
| Accounts receivable | - | - | - | - | - | - |
| Due from other funds | 10 | - | - | - | - | 10 |
| Other current assets | | | | | 147 | 147 |
| Total assets | <u>\$ 1,974,011</u> | <u>\$ 2,330</u> | <u>\$ 931</u> | <u>\$ 3,849</u> | <u>\$ 8,230</u> | <u>\$ 1,989,351</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 100 | \$ - | \$ - | \$ - | \$ - | \$ 100 |
| Court fees payable | 464,415 | - | - | - | - | 464,415 |
| Due to other funds | 162,346 | - | - | 10 | - | 162,356 |
| Due to the Board of County Commissioners | 25,169 | - | - | - | - | 25,169 |
| Due to other governmental units | 501,549 | - | 931 | - | - | 502,480 |
| Total liabilities | <u>1,153,579</u> | <u>-</u> | <u>931</u> | <u>10</u> | <u>-</u> | <u>1,154,520</u> |
| Total net position | <u>\$ 820,432</u> | <u>\$ 2,330</u> | <u>\$ -</u> | <u>\$ 3,839</u> | <u>\$ 8,230</u> | <u>\$ 834,831</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET POSITION
September 30, 2023**

| | Clerk's Trust | Employee Sunshine | Domestic Relations | Jury Witness | Public Defender Occupancy Trust | Totals |
|----------------------------------|-------------------|----------------------|-----------------------|-----------------|--|-------------------|
| ADDITIONS | | | | | | |
| Funds held for others | \$ 794,235 | \$ 1,220 | \$ - | \$ 13,000 | \$ 85,223 | \$ 893,678 |
| Cash bonds | 227,339 | - | - | - | - | 227,339 |
| Fines, fees and court costs | 7,956,335 | - | 5,230 | - | - | 7,961,565 |
| Total additions | <u>8,977,909</u> | <u>1,220</u> | <u>5,230</u> | <u>13,000</u> | <u>85,223</u> | <u>9,082,582</u> |
| DEDUCTIONS | | | | | | |
| Funds held for others | 755,035 | 1,054 | 5,230 | 10,492 | 89,608 | 861,419 |
| Cash bonds | 356,365 | - | - | - | - | 356,365 |
| Fines, fees and court costs | 7,956,335 | - | - | - | - | 7,956,335 |
| Total deductions | <u>9,067,735</u> | <u>1,054</u> | <u>5,230</u> | <u>10,492</u> | <u>89,608</u> | <u>9,174,119</u> |
| Change in net position | (89,826) | 166 | - | 2,508 | (4,385) | (91,537) |
| Net position - beginning of year | 910,258 | 2,164 | - | 1,331 | 12,615 | 926,368 |
| Net position - end of year | <u>\$ 820,432</u> | <u>\$ 2,330</u> | <u>\$ -</u> | <u>\$ 3,839</u> | <u>\$ 8,230</u> | <u>\$ 834,831</u> |

See notes to financial statements.

COMPLIANCE SECTION

**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**

To the Clerk of the Circuit Court, James M Swisher, Jr.
Columbia County, Florida

We have audited, in accordance with the 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, the financial statements of the Columbia County, Florida Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated July 16, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk'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 Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk'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 a 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 may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City, FL
July 16, 2024

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Clerk of the Circuit Court, James M Swisher, Jr.
Columbia County, Florida

We have audited the financial statements of the Columbia County, Florida the Clerk of the Circuit Court (the Clerk), as of and for the year ended September 30, 2023, and have issued our report thereon dated July 16, 2024. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Financial Emergency Status – We have determined that the Clerk did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.b. and 10.556(8)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.554(1)(f).

Financial Management – Section 10.554(1)(i)2., *Rules of the Auditor General* require that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters – Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.550.

CONCLUSION

We have reviewed information regarding our audit with the Clerk and have provided the appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Clerk's Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City, FL
July 16, 2024

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Clerk of the Circuit Court, James M Swisher, Jr.
Columbia County, Florida

We have examined the Columbia County, Florida's Clerk of the Circuit Court's (the Clerk's) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2022. We have also examined the Clerk's compliance with Section 61.181 *Florida Statutes*, regarding the Clerk's alimony and child support payments and Sections 28.35 and 28.36; *Florida Statutes* as to the following during the fiscal year ended September 30, 2023:

- a. The budget and performance standards developed and certified by the Florida Clerk of the Courts Operations Corporation and Section 28.35 and 28.36 *Florida Statutes*.

Management is responsible for the Clerk's respective compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examinations.

Our examinations were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of Columbia County, Florida, the Clerk, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



Powell and Jones CPA
Lake City, FL
July 16, 2024

PROPERTY APPRAISER

COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2023
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Powell and Jones CPA

1359 S.W. Main Blvd
Lake City, FL 32025
Phone 386.755.4200

INDEPENDENT AUDITOR'S REPORT

Honorable Jeff Hampton, Property Appraiser
Columbia County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the major fund of Columbia County, Florida Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser'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 major fund of the Property Appraiser, as of September 30, 2023, and the respective changes in financial position, thereof for the year then ended in accordance 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 Columbia County Property Appraiser 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.

The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statutes, and Rule 10.557(5) of Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Property Appraiser is part of the reporting for Columbia County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

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.

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 the Property Appraiser'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 the Property Appraiser'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 the Property Appraiser'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.

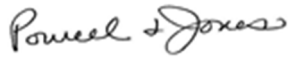
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during

our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 16, 2024, on our consideration of the Property Appraiser'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's 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 the Property Appraiser's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City, FL
July 16, 2024

FINANCIAL STATEMENTS

**COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER
GENERAL FUND
BALANCE SHEET
September 30, 2023**

ASSETS

| | | |
|--------------|----|---------------|
| Cash | \$ | 77,367 |
| Total assets | \$ | <u>77,367</u> |

LIABILITIES AND FUND BALANCE

LIABILITIES

Current liabilities

| | | |
|--------------------------------------|----|---------------|
| Accrued payroll liabilities | \$ | - |
| Due to Board of County Commissioners | | 75,587 |
| Due to other governmental units | | <u>1,780</u> |
| Total liabilities and fund balance | \$ | <u>77,367</u> |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 2023

REVENUES

| | |
|----------------------------|---------------|
| Charges for services | |
| General government | |
| County officer fees | |
| Suwannee River Water | |
| Management District | \$ 47,765 |
| Total charges for services | <u>47,765</u> |
| Miscellaneous | |
| Interest earnings | 43 |
| Other miscellaneous | 425 |
| Total miscellaneous | <u>468</u> |
| Total revenues | <u>48,233</u> |

EXPENDITURES

| | |
|------------------------------|------------------|
| General government | |
| Financial and administrative | |
| Personnel services | 1,774,221 |
| Operating expenses | 294,842 |
| Capital outlay | 3,337 |
| Debt Service | |
| Principal | 4,568 |
| Interest | 212 |
| Total expenditures | <u>2,077,180</u> |

| | |
|---------------------------------|-------------|
| Excess of revenues over (under) | |
| expenditures | (2,028,947) |

OTHER FINANCING SOURCES

| | |
|--------------------------------|------------------|
| Transfers from Board of County | |
| Commissioners | <u>2,028,947</u> |

Net change in fund balance -

Fund balance at beginning of year -

| | |
|-----------------------------|-------------|
| Fund balance at end of year | <u>\$ -</u> |
|-----------------------------|-------------|

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the Columbia County, Florida Property Appraiser (the Property Appraiser).

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39, "Determining Whether Certain Organizations are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Property Appraiser, as established by Article VIII of the Constitution of the State of Florida, is an elected official of Columbia County, Florida (the County). Although the Property Appraiser's Office is operationally autonomous from the County, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is reported as a part of the primary government of the County. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of the County, taken as a whole.

The financial statements of the Property Appraiser are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

B. Fund Accounting - Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group utilized by the Property Appraiser are as follows:

(i) **Governmental Funds**

General Fund - The General Fund of the Property Appraiser is used to account for all financial resources which are generated from operations of the office, or any other resources not required to be accounted for in another fund.

C. Basis of Accounting - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Property Appraiser currently maintains its accounting records on the cash basis. However, for financial statement purposes appropriate adjustments are made to report the governmental fund type using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations. Encumbrance accounting is not utilized by the Property Appraiser.

D. Budget - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the operating budget of the Property Appraiser. The Property Appraiser's budget is also subject to approval by the Florida Department of Revenue.

In the budget comparisons included in these financial statements, both the amounts budgeted, and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Property Appraiser, which was amended during the year.

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2023, the book balance of the Property Appraiser's deposits was \$77,367. The total bank balance was covered by federal depository insurance.

F. Inventories - It is the policy of the Property Appraiser to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and is considered to be immaterial.

G. Fixed Assets - Fixed assets used in the Property Appraiser's operations are accounted for in the County's general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation on equipment is provided on the straight-line basis over useful lives of three to twelve years.

H. Compensated Absences - The Property Appraiser follows generally accepted accounting principles in accounting for accrued compensated absences. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid by the Property Appraiser and this practice is expected to continue in the future. The Property Appraiser maintained compensated absence records for the hours earned, used and available. As of September 30, 2023, the balance of compensated absences is \$130,576.

I. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Risk Management - The Property Appraiser is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others.

The Property Appraiser directly purchases insurance and participates in the risk management program through the County, which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

K. Leases - The Property Appraiser has various leases for office equipment with remaining terms of less than five years at various monthly rates. The Property Appraiser reports leases as expenditures which totaled \$5,487 for the year ending September 30, 2022. Leases held by the Property Appraiser are reported as a right of use asset and lease liability in the government-wide financial statements of the County, in accordance with SGAS No. 87. The schedule below shows the annual interest expense and lease principal payments to maturity as of September 30, 2022:

| Year | Principal | Interest | Payment |
|-------|------------------|---------------|------------------|
| 2024 | \$ 5,031 | \$ 392 | \$ 5,423 |
| 2025 | 4,807 | 216 | 5,023 |
| 2026 | 743 | 115 | 858 |
| 2027 | 779 | 79 | 858 |
| 2028 | 817 | 41 | 858 |
| After | 423 | 6 | 429 |
| | <u>\$ 12,600</u> | <u>\$ 849</u> | <u>\$ 13,449</u> |

NOTE 3. PENSION PLAN

Plan Description - The Property Appraiser contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee non-contributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The employer rates at September 30, 2023 were as follows:

| Class | October 1, 2022 - June 30, 2023 | July 1, 2023 - September 30, 2023 |
|---|------------------------------------|--------------------------------------|
| Regular Class | 11.91% | 13.57% |
| Special Risk Class | 27.83% | 32.67% |
| Special Risk Administrative Support | 38.65% | 39.82% |
| County Elected Officers | 57.00% | 60.00% |
| Senior Management Class | 31.57% | 34.52% |
| Deferred Retirement Option Program (DROP) | 18.60% | 21.13% |

The contribution requirements of plan members and the Property Appraiser are established and may be amended by the Florida Legislature. The Property Appraiser's contributions to the System for the years ending September 30, 2023, 2022, and 2021 were \$271,239, \$217,839, and \$188,259 respectively equal to the required contributions for each year.

REQUIRED SUPPLEMENTARY INFORMATION

COLUMBIA COUNTY, FLORIDA
PROPERTY APPRAISER
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--|--------------------|-----------------|-------------|------------------------------------|
| REVENUES | | | | |
| Charges for services | | | | |
| General government | | | | |
| County officer fees | | | | |
| Suwannee River Water | | | | |
| Management District | \$ 49,544 | \$ 49,544 | \$ 47,765 | \$ (1,779) |
| Total charges for services | 49,544 | 49,544 | 47,765 | (1,779) |
| Miscellaneous | | | | |
| Interest earnings | - | - | 43 | 43 |
| Other miscellaneous | - | - | 425 | 425 |
| Total miscellaneous | - | - | 468 | 468 |
| Total revenues | 49,544 | 49,544 | 48,233 | (1,311) |
| EXPENDITURES | | | | |
| General government | | | | |
| Financial and administrative | | | | |
| Personnel services | 1,701,344 | 1,782,771 | 1,774,221 | 8,550 |
| Operating expenses | 255,266 | 304,411 | 299,622 | 4,789 |
| Non-operating expenses | 84,166 | 66,896 | - | 66,896 |
| Capital outlay | 31,875 | - | 3,337 | (3,337) |
| Total expenditures | 2,072,651 | 2,154,078 | 2,077,180 | 76,898 |
| Excess of revenues over (under) expenditures | (2,023,107) | (2,104,534) | (2,028,947) | 75,587 |
| OTHER FINANCING SOURCES | | | | |
| Transfers from Board of County Commissioners | 2,023,107 | 2,104,534 | 2,028,947 | (75,587) |
| Net change in fund balance | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | \$ - | \$ - | \$ - | \$ - |

**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**

To the Property Appraiser, Jeff Hampton
Columbia County, Florida

We have audited, in accordance with the 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, the financial statements of the of the Columbia County, Florida Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated July 16, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Property Appraiser'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 Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Property Appraiser'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 a 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.

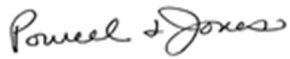
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Powell & Jones".**POWELL & JONES**

Certified Public Accountants

July 16, 2024

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Property Appraiser, Jeff Hampton
Columbia County, Florida

We have audited the financial statements of the Columbia County, Florida Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2023, and have issued our report thereon dated July 16, 2024.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated July 16, 2024. Disclosures in that report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

Financial Emergency Status – We have determined that the Property Appraiser did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.b. and 10.556(8)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

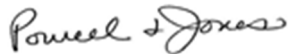
Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.554(1)(f).

Financial Management – 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 any such recommendations.

Additional Matters - Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

CONCLUSION

We have reviewed information regarding our audit with the Property Appraiser and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Property Appraiser's Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
July 16, 2024

INDEPENDENT ACCOUNTANT'S REPORT

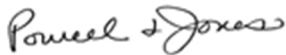
To The Property Appraiser, Jeff Hampton
Columbia County, Florida

We have examined the Columbia County, Florida Property Appraiser's (the "Property Appraiser") compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Property Appraiser's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Property Appraiser's compliance with specified requirements.

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of the Columbia County, Florida Property Appraiser, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



Powell and Jones CPA
Lake City, FL
July 16, 2024

TAX COLLECTOR

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 2023**

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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT AUDITOR'S REPORT

To the Honorable Kyle Keen
Tax Collector of Columbia County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the major fund and aggregate remaining fund information of Columbia County Tax Collector, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Columbia County Tax Collector'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 major fund and the aggregate remaining fund information of Columbia County Tax Collector, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance 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 Columbia County Tax Collector 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.

Emphasis of Matter

The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statutes, and Rule 10.557(5) of Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Tax Collector is part of the reporting for Columbia County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

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.

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 Columbia

County Tax Collector'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 Columbia County Tax Collector'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 Columbia County Tax Collector'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's

responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Columbia County Tax Collector's basic financial statements. The combining 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated April 29, 2023, on our consideration of Columbia County Tax Collector'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Columbia County Tax Collector's 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 Columbia County Tax Collector's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
April 29, 2024

FINANCIAL STATEMENTS

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
GOVERNMENTAL FUND
BALANCE SHEET
September 30, 2023**

| | <u>General Fund</u> |
|--|---------------------|
| ASSETS | |
| Current assets | |
| Cash | \$ 215,743 |
| Due from other funds | 46,572 |
| Total assets | <u>\$ 262,315</u> |
| LIABILITIES | |
| Current liabilities | |
| Due to Board of County Commissioners | \$ 205,298 |
| Due to other governmental units | 6,262 |
| Accrued payroll, deductions, and matching | 50,755 |
| Total liabilities | <u>\$ 262,315</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2023**

| REVENUES | General Fund |
|--|------------------|
| Charges for services | |
| County officer commissions and fees: | |
| Professional and occupational licenses | \$ 17,201 |
| Motor vehicle fees | 385,672 |
| Drivers license fees | 194,872 |
| Concealed weapons fee | 24,473 |
| Other licenses and permits | 3,037 |
| State commissions | 1,620 |
| County commissions | 987,595 |
| Tax commissions | |
| Suwannee River Water Management District | 21,691 |
| Delinquent tax commissions | 200,636 |
| Special assessment commissions | 256,594 |
| Special assessment administrative fees | 140,405 |
| Total charges for services | <u>2,233,796</u> |
| Miscellaneous | |
| Interest earnings | 6,021 |
| Other miscellaneous | 3,958 |
| Total miscellaneous | <u>9,979</u> |
| Total revenues | <u>2,243,775</u> |
| EXPENDITURES | |
| General government | |
| Personnel services | 1,822,369 |
| Operating expenses | 216,108 |
| Total expenditures | <u>2,038,477</u> |
| Excess of revenues over (under) expenditures | 205,298 |
| Other financing sources | |
| Transfers to Board of County Commissioners | (205,298) |
| Net change in fund balances | - |
| Fund balance at beginning of year | - |
| Fund balance at end of year | <u>\$ -</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023**

| | Custodial Funds |
|---------------------------------|----------------------------|
| ASSETS | |
| Cash | \$ 1,793,119 |
| Accounts receivable | 2,344 |
| Total assets | \$ 1,795,463 |
| LIABILITIES | |
| Due to other funds | \$ 46,572 |
| Due to other governmental units | 1,562,353 |
| Total liabilities | 1,608,925 |
| NET POSITION | \$ 186,538 |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Fiscal Year Ended September 30, 2023**

| | Custodial Funds |
|--|--------------------------|
| ADDITIONS | |
| Funds held for others | \$ 6,946,981 |
| Property taxes collected for other governments | 64,902,726 |
| Licenses and fees | 7,710,143 |
| Total additions | <u>79,559,850</u> |
| DEDUCTIONS | |
| Funds held for others | 6,966,011 |
| Taxes and fees payable | 64,902,728 |
| Licenses and fees | 7,710,143 |
| Total deductions | <u>79,578,882</u> |
| Change in net position | (19,032) |
| Net position - beginning of year | 205,570 |
| Net position - end of year | <u><u>\$ 186,538</u></u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Columbia County Tax Collector (Tax Collector).

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Tax Collector, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Tax Collector's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is reported as a part of the primary government of Columbia County, Florida. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

The financial statements of the Tax Collector are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

B. Fund Accounting - Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group utilized by the Tax Collector are as follows:

(i) **Governmental Fund**

General Fund - The General Fund of the Tax Collector is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

(ii) **Fiduciary Funds**

Custodial Funds - Custodial Funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, other governments, and/or other funds. The following Custodial Funds are maintained by the Tax

Collector:

Ad Valorem Tax Fund

Tag Fund

C. Basis of Accounting - The "Basis of Accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Tax Collector currently maintains his accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations. Encumbrance accounting is not utilized by the Tax Collector.

D. Budget - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriated budget, which includes its funding of the operations of the Tax Collector. The operating budget of the Tax Collector is approved by the Florida Department of Revenue.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Tax Collector, as amended during the year.

E. Cash - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash". At September 30, 2023, the book balance of the Tax Collector's cash was \$2,008,861. The total bank balance was covered by federal depository insurance and pledged collateral.

The collateral for the Tax Collector's deposits is categorized to give an indication of the level of risk assumed by the Tax Collector at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Tax Collector or his agent in the Tax Collector's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Tax Collector's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent, but not in the Tax Collector's name. At year end, all of the Tax Collector's deposits were in Category 1.

F. Inventories - It is the policy of the Tax Collector to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Depreciation has been provided on the County's equipment on the straight-line basis over three to twelve years. Assets purchased by the Tax Collector are reported in the Board of County Commissioners' General Fixed Assets Accounts.

H. Compensated Absences - The Tax Collector follows generally accepted accounting principles in accounting for accrued compensated absences. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of Tax Collector and this practice is expected to continue in the future. The Tax Collector maintained compensated absence records for the hours earned, used and available. As of September 30, 2023, the balance of compensated absences is \$195,956.

I. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Risk Management - The Tax Collector is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Tax Collector directly purchases insurance and participates in the risk management program through the Columbia County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

K. Net Position - In the accompanying statement of net position, restricted net position, if any, is subject to restrictions beyond the Tax Collector's control. The restriction is either externally imposed (for instance, by creditors, grantors, contributors, or laws/regulations of other governments) or is imposed by law through constitutional provisions or enabling legislation. The entire balance of net position reflects amounts held for individuals.

L. Leases - The Tax Collector has various leases for office equipment with remaining terms of one to five years at various monthly rates. The Tax Collector reports leases as expenditures which totaled \$5,277 for the year ending September 30, 2023. Leases held by the Tax Collector are reported as a right of use asset and lease liability in the government-wide financial statements of the County, in accordance with SGAS No. 87. The schedule below shows the payments to maturity as of September 30, 2023:

| Year | Payment |
|------|------------------|
| 2023 | \$ 5,277 |
| 2024 | 3,068 |
| 2025 | 3,068 |
| 2026 | 3,068 |
| | <u>\$ 14,482</u> |

NOTE 2. PENSION PLAN

Plan Description - The Tax Collector contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee noncontributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The Tax Collector is required to contribute at an actuarially determined rate. The rates from October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, were as follows:

| <u>Class</u> | <u>October 1, 2022 - June 30, 2023</u> | <u>July 1, 2023 - September 30, 2023</u> |
|---|--|--|
| Regular Class | 11.91% | 13.57% |
| Special Risk Class | 27.83% | 32.67% |
| Special Risk Administrative Support | 38.65% | 39.82% |
| County Elected Officers | 43.77% | 44.89% |
| Senior Management Class | 31.57% | 34.52% |
| Deferred Retirement Option Program (DROP) | 18.60% | 21.13% |

The contribution requirements of plan members and the Tax Collector are established and may be amended by the Florida Legislature. The Tax Collector's contributions to the System for the years ending September 30, 2023, 2022 and 2021 were \$253,081, \$247,513, and \$213,460 respectively, which are equal to the required contributions for each year.

NOTE 3. INTERFUND RECEIVABLES AND PAYABLES

Balances at September 30, 2023, were:

| | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|---------------------|---------------------------------|------------------------------|
| General Fund | \$ 46,572 | \$ - |
| Ad Valorem Tax Fund | - | 46,572 |
| | <u>\$ 46,572</u> | <u>\$ 46,572</u> |

REQUIRED SUPPLEMENTARY INFORMATION

**COLUMBIA COUNTY, FLORIDA
TAX COLLECTOR
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023**

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--|--------------------|-----------------|-----------|------------------------------------|
| REVENUES | | | | |
| County Officer commissions and fees | | | | |
| Professional and occupational licenses | \$ 16,500 | \$ 16,500 | 17,201 | \$ 701 |
| Motor vehicle fees | 390,000 | 390,000 | 385,672 | (4,328) |
| Drivers license fees | 170,000 | 170,000 | 194,872 | 24,872 |
| Concealed weapons fee | 17,000 | 17,000 | 24,473 | 7,473 |
| Other licenses and permits | 5,810 | 5,810 | 3,037 | (2,773) |
| State commissions | 62,500 | 62,500 | 1,620 | (60,880) |
| County commissions | 985,000 | 985,000 | 987,595 | 2,595 |
| Tax commissions | | | | |
| Suwannee Water Management District | 20,000 | 20,000 | 21,691 | - |
| Delinquent tax commissions | 140,000 | 140,000 | 200,636 | 60,636 |
| Special assessment commissions | 188,000 | 188,000 | 256,594 | 68,594 |
| Special assessment administrative fees | 98,500 | 98,500 | 140,405 | 41,905 |
| Total charges for services | 2,093,310 | 2,093,310 | 2,233,796 | 138,795 |
| Miscellaneous | | | | |
| Interest earnings | - | - | 6,021 | 6,021 |
| BCC grant | - | - | - | - |
| Other miscellaneous | 4,500 | 4,500 | 3,958 | (542) |
| Total miscellaneous | 4,500 | 4,500 | 9,979 | 5,479 |
| Total revenues | 2,097,810 | 2,097,810 | 2,243,775 | 144,274 |
| EXPENDITURES | | | | |
| General government | | | | |
| Personnel services | 1,835,589 | 1,897,255 | 1,822,369 | 74,886 |
| Operating expenses | 224,745 | 224,745 | 216,108 | 8,637 |
| Total expenditures | 2,060,334 | 2,122,000 | 2,038,477 | 83,523 |
| Excess of revenues over (under) expenditures | 37,476 | (24,190) | 205,298 | 229,488 |
| Other financing sources | | | | |
| Transfers to Board of County Commissioners | (37,476) | 24,190 | (205,298) | (229,488) |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | \$ - | \$ - | \$ - | \$ - |

See notes to financial statements.

SUPPLEMENTARY INFORMATION

**COLUMBIA COUNTY TAX COLLECTOR
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023**

| | Tag Fund | Ad Valorem Tax Fund | Totals |
|---------------------------------|-------------------|------------------------|---------------------|
| ASSETS | | | |
| Cash | \$ 135,907 | \$ 1,657,212 | \$ 1,793,119 |
| Accounts receivable | 2,344 | - | 2,344 |
| Total assets | <u>\$ 138,251</u> | <u>\$ 1,657,212</u> | <u>\$ 1,795,463</u> |
| LIABILITIES | | | |
| Due to other funds | \$ - | \$ 46,572 | \$ 46,572 |
| Due to other governmental units | 122,971 | 1,439,382 | 1,562,353 |
| Total liabilities | <u>122,971</u> | <u>1,485,954</u> | <u>1,608,925</u> |
| NET POSITION | <u>\$ 15,280</u> | <u>\$ 171,258</u> | <u>\$ 186,538</u> |

See notes to financial statements.

**COLUMBIA COUNTY TAX COLLECTOR
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSTION
For the Fiscal Year Ended September 30, 2023**

| | Tag Fund | Ad Valorem Tax Fund | Totals |
|--|------------------|---------------------------|-------------------|
| ADDITIONS | | | |
| Funds held for others | \$ 213,774 | \$ 6,733,207 | \$ 6,946,981 |
| Property taxes collected for other governments | - | 64,902,726 | 64,902,726 |
| Licenses and fees | 7,710,143 | - | 7,710,143 |
| Total additions | <u>7,923,917</u> | <u>71,635,933</u> | <u>79,559,850</u> |
| DEDUCTIONS | | | |
| Funds held for others | 214,081 | 6,751,930 | 6,966,011 |
| Taxes and fees payable | - | 64,902,728 | 64,902,728 |
| Licenses and fees | 7,710,143 | - | 7,710,143 |
| Total deductions | <u>7,924,224</u> | <u>71,654,658</u> | <u>79,578,882</u> |
| Change in net position | (307) | (18,725) | (19,032) |
| Net position - beginning of year | 15,587 | 189,983 | 205,570 |
| Net position - end of year | <u>\$ 15,280</u> | <u>\$ 171,258</u> | <u>\$ 186,538</u> |

See notes to financial statements.

COMPLIANCE SECTION

**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**

To the Honorable Kyle Keen
Tax Collector of Columbia County, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbia County Tax Collector, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Columbia County Tax Collector's basic financial statements, and have issued our report thereon dated April 29, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Columbia County Tax Collector'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Columbia County Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of Columbia County Tax Collector'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 a 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 may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
April 29, 2024

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Tax Collector
Columbia County, Florida

We have audited the financial statements of the Columbia County Tax Collector, as of and for the year ended September 30, 2023, and have issued our report thereon dated April 29, 2024.

We have issued our 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* dated April 29, 2024. Disclosures in that report, should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings during the current year.

FINANCIAL COMPLIANCE MATTERS

Financial Emergency Status – We have determined that the Tax Collector did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.b. and 10.556(8)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.554(1)(f).

Financial Management – 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 any such recommendations.

Additional Matters – Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

CONCLUSION

We have reviewed information regarding our audit with the Tax Collector and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Tax Collector. We appreciate the helpful assistance of the Tax Collector Staff in completing our audit and also the generally high quality of the Tax Collector's financial records and internal controls. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A handwritten signature in black ink that reads "Powell & Jones". The signature is written in a cursive, flowing style.

Powell and Jones CPA
April 29, 2024

INDEPENDENT ACCOUNTANT'S REPORT

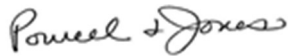
To The Tax Collector
Columbia County, Florida

We have examined the Columbia County, Florida's Tax Collector's (the Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Tax Collector's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of Columbia County, Florida, the Tax Collector and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



Powell and Jones CPA
April 29, 2024

SHERIFF

**COLUMBIA COUNTY, FLORIDA
SHERIFF
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2023**

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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200
Fax 386.719.5504

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mark Hunter
The Sheriff of Columbia County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying fund financial statements of the major fund and aggregate remaining funds of the Columbia County Sheriff as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Columbia County Sheriff'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 major fund and aggregate remaining funds of the Columbia County Sheriff, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance 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 the Columbia County Sheriff 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.

The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statutes, and Rule 10.557(5) of Chapter 10.550, Rules of the Auditor General – Local Governmental Entity Audits. As described in Note 1 to the financial statements, the Sheriff is part of the reporting for Columbia County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

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.

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 the Columbia County Sheriff'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 these 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 the Columbia County Sheriff'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 the Columbia County Sheriff'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial

statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. We have applied certain limited 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 response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit for 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 any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information is comprised of the Schedule of Expenditures of Federal Awards and the combining tables 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2024, on our consideration of the Columbia County Sheriff'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Columbia County Sheriff's 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 Columbia County Sheriff's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City Florida
April 30, 2024

FINANCIAL STATEMENTS

**COLUMBIA COUNTY, FLORIDA
SHERIFF
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2023**

| | General Fund | Construction Fund | Inmate Welfare Fund | Nonmajor Governmental Funds | Totals |
|--------------------------------------|---------------------|----------------------|------------------------|-----------------------------------|---------------------|
| ASSETS | | | | | |
| Cash | \$ 1,489,226 | \$ 2,315,985 | \$ 1,096,143 | \$ 65,531 | \$ 4,966,885 |
| Accounts receivable | 79,573 | - | 25,321 | - | 104,894 |
| Due from other funds | 3,984 | - | 35,037 | - | 39,021 |
| Due from other governmental units | 44,090 | - | - | 1,700 | 45,790 |
| Total assets | <u>\$ 1,616,873</u> | <u>\$ 2,315,985</u> | <u>\$ 1,156,501</u> | <u>\$ 67,231</u> | <u>\$ 5,156,590</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | \$ 333,435 | \$ - | \$ 40,535 | \$ 675 | \$ 374,645 |
| Accrued liabilities | 1,111,180 | - | - | - | 1,111,180 |
| Due to Board of County Commissioners | 172,258 | - | - | - | 172,258 |
| Due to other funds | - | - | 11 | - | 11 |
| Total liabilities | <u>1,616,873</u> | <u>-</u> | <u>40,546</u> | <u>675</u> | <u>1,658,094</u> |
| FUND BALANCES | | | | | |
| Restricted | - | 2,315,985 | 1,115,955 | 66,556 | 3,498,496 |
| Total liabilities and fund balances | <u>\$ 1,616,873</u> | <u>\$ 2,315,985</u> | <u>\$ 1,156,501</u> | <u>\$ 67,231</u> | <u>\$ 5,156,590</u> |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
SHERIFF
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2023

| | General Fund | Construction Fund | Inmate Welfare Fund | Nonmajor Governmental Funds | Totals |
|---|---------------------|----------------------|------------------------|-----------------------------------|---------------------|
| REVENUES | | | | | |
| Intergovernmental | \$ 276,439 | \$ - | \$ - | \$ 6,290 | \$ 282,729 |
| Charges for services | 198,343 | - | 344,087 | 48 | 542,478 |
| Fines and forfeitures | - | - | - | 14,633 | 14,633 |
| Interest | 25,771 | 20,770 | 7,025 | 746 | 54,312 |
| Miscellaneous | 385,815 | - | 63,538 | 218 | 449,571 |
| Total revenues | <u>886,368</u> | <u>20,770</u> | <u>414,650</u> | <u>21,935</u> | <u>1,343,723</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Law enforcement | 13,636,213 | - | - | 21,783 | 13,657,996 |
| Corrections | 5,896,905 | - | 180,005 | - | 6,076,910 |
| Capital outlay | | | | | |
| Law enforcement | 847,161 | 125,868 | - | 45,729 | 1,018,758 |
| Corrections | 5,220 | - | 166,467 | - | 171,687 |
| Debt service | | | | | |
| Law enforcement | 41,310 | - | - | - | 41,310 |
| Corrections | 10,158 | - | 5,596 | - | 15,754 |
| Total expenditures | <u>20,436,967</u> | <u>125,868</u> | <u>352,068</u> | <u>67,512</u> | <u>20,982,415</u> |
| Excess of revenues over (under) expenditures | <u>(19,550,599)</u> | <u>(105,098)</u> | <u>62,582</u> | <u>(45,577)</u> | <u>(19,638,692)</u> |
| Other Financing Sources/Uses | | | | | |
| Transfers from Board of County Commissioners | <u>19,550,599</u> | <u>367,000</u> | <u>-</u> | <u>-</u> | <u>19,917,599</u> |
| Net change in fund balances | - | 261,902 | 62,582 | (45,577) | 278,907 |
| Fund balances at beginning of year | <u>-</u> | <u>2,054,083</u> | <u>1,053,373</u> | <u>112,133</u> | <u>3,219,589</u> |
| Fund balances at end of year | <u>\$ -</u> | <u>\$ 2,315,985</u> | <u>\$ 1,115,955</u> | <u>\$ 66,556</u> | <u>\$ 3,498,496</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
SHERIFF
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023**

| | <u>Custodial Funds</u> |
|--------------------------------------|----------------------------|
| ASSETS | |
| Cash | \$ 518,963 |
| Total assets | <u>\$ 518,963</u> |
| LIABILITIES | |
| Due to Board of County Commissioners | \$ 5,996 |
| Accounts payable | 104 |
| Due to other funds | <u>39,009</u> |
| Total liabilities | 45,109 |
| NET POSITION | <u>473,854</u> |
| Total liabilities and net position | <u>\$ 518,963</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
SHERIFF
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

For the Fiscal Year Ended September 30, 2023

| | Custodial Funds |
|----------------------------------|--------------------------|
| ADDITIONS | |
| Funds held for others | \$ 709,284 |
| Sheriff civil fees | <u>110,285</u> |
| Total additions | <u>819,569</u> |
| DEDUCTIONS | |
| Funds held for others | 713,679 |
| Sheriff civil fees | <u>108,795</u> |
| Total deductions | <u>822,474</u> |
| Change in net position | (2,905) |
| Net position - beginning of year | 476,759 |
| Net position - end of year | <u><u>\$ 473,854</u></u> |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
SHERIFF
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Sheriff, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Sheriff's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as a part of the primary government of Columbia County, Florida. The Sheriff's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

These special purpose financial statements of the Sheriff are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

B. Fund Accounting - Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Separate columns are presented for each major fund and the nonmajor funds are combined into a single column in the fund financial statements and detailed in the combining section of this report. The funds and account group utilized by the Sheriff are as follows:

(i) Governmental Funds

General Fund - The General Fund of the Sheriff is used to account for all financial resources, which are generated from operations of the office or any other resources not required to be accounted for in another fund.

Construction Fund - The Construction Fund is used to account for funds appropriated by the Board of County Commissions for the construction of new facilities.

Inmate Welfare Fund - The Inmate Welfare Fund is used to account for funds restricted by *Florida Statute* to use for the benefit or care of inmates such as commissions on commissary and other services provided to inmates.

Nonmajor Governmental Funds – The nonmajor funds are special revenues funds which are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2023, the Sheriff maintained the following nonmajor governmental funds:

Minimum Standards School
Drug Task Force
Work Program

(ii) **Fiduciary Funds**

Custodial Funds - Custodial Funds are used to account for assets held by the Sheriff as a custodian for other parties including individuals, private organizations, other governments, and/or other funds. Custodial Funds use the accrual basis of accounting. The following Custodial Funds are maintained by the Sheriff:

Inmate Trust
Individual Depositors Trust
Evidence Trust
Donations Trust

C. Basis of Accounting - The "Basis of Accounting" refers to when revenues and expenditures, and the related assets and liabilities, are recognized in the accounting records and reported in the financial statements. The Sheriff currently maintains his accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations.

D. Budget - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget.

In the budget comparisons included in these financial statements, both the amounts budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Sheriff.

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash."

At September 30, 2023, the book balance of the Sheriff's deposits was \$5,485,848. The bank balances were \$5,594,659. These balances were covered by federal depository insurance or collateral held at various qualified public depositories. Chapter 280, *Florida Statutes*, defines the eligible collateral for these qualified public depositories.

The collateral for the Sheriff's deposits is categorized to give an indication of the level of risk assumed by the Sheriff at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Sheriff or his agent in the Sheriff's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Sheriff's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent, but not in the Sheriff's name.

| Bank Deposit Covered by | Category | | | Bank Balance |
|----------------------------|-------------------|---------------------|-------------|---------------------|
| | 1 | 2 | 3 | |
| Eligible collateral | \$ - | \$ 5,088,079 | \$ - | \$ 5,088,079 |
| FDIC Insurance | 506,580 | - | - | 506,580 |
| Total deposits | <u>\$ 506,580</u> | <u>\$ 5,088,079</u> | <u>\$ -</u> | <u>\$ 5,594,659</u> |

F. Inventories - It is the policy of the Sheriff to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. Fixed Assets - Fixed assets used in governmental fund type operations are accounted for in the general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated.

H. Compensated Absences - The Sheriff follows generally accepted accounting principles in accounting for accrued compensated absences. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Sheriff and this practice is expected to continue in the future. The Sheriff maintained compensated absence records for the hours earned, used and available as of September 30, 2023. The balance of compensated absences is \$1,313,368.

I. Leases - The Sheriff has various leases for various equipment with remaining terms of one to five years at various monthly rates. The Sheriff reports leases as expenditures which totaled \$57,064 for the year ending September 30, 2023. Leases held by the Sheriff are reported as a right of use asset and lease liability in the government-wide financial statements of the County, in accordance with SGAS No. 87. The schedule below shows the minimum annual lease payments to maturity including principal and interest as of September 30, 2023:

| Year Ending September 30 | Minimum Lease Payment |
|-----------------------------|-----------------------|
| 2024 | \$ 70,665 |
| 2025 | 34,530 |
| 2026 | 23,317 |
| 2027 | 16,416 |
| | <u>\$ 144,928</u> |

J. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. Risk Management - The Sheriff is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Sheriff directly purchases insurance and participates in the risk management program through the Columbia County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

NOTE 2. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

| | Balance 10/01/2022 | Additions | Deletions | Balance 09/30/2023 |
|--------------------------|-----------------------|--------------|--------------|-----------------------|
| Equipment | \$ 10,812,449 | \$ 1,064,578 | \$ (639,037) | \$ 11,237,990 |
| Construction in progress | 46,063 | 125,868 | - | 171,931 |
| Accumulated depreciation | (8,942,548) | (911,902) | 615,807 | (9,238,643) |
| Capital assets, net | \$ 1,915,964 | \$ 278,544 | \$ (23,230) | \$ 2,171,278 |

NOTE 3. PENSION PLAN

Plan Description - The Sheriff contributes to the Florida Retirement System ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System is employee noncontributory through June 30, 2011. Effective July 1, 2011, employees are required to contribute 3% of their gross wages. The Sheriff is required to contribute at an actuarially determined rate. The rates from October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, were as follows:

| Class | October 1, 2022 - June 30, 2023 | July 1, 2023 - September 30, 2023 |
|---|------------------------------------|--------------------------------------|
| Regular Class | 11.91% | 13.57% |
| Special Risk Class | 27.83% | 32.67% |
| Special Risk Administrative Support | 38.65% | 39.82% |
| County Elected Officers | 43.77% | 44.89% |
| Senior Management Class | 31.57% | 34.52% |
| Deferred Retirement Option Program (DROP) | 18.60% | 21.13% |

The contribution requirements of plan members and the Sheriff are established and may be amended by the Florida Legislature. The Sheriff's contributions to the System for the years ending September 30, 2023, 2022, 2021, 2020, and 2019 were \$2,602,823, \$1,952,934, \$1,820,522, \$1,799,231, and \$1,786,539, respectively, which are equal to the required contributions for each year.

NOTE 4. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Sheriff and Board of County Commissioners expect such amounts, if any, to be immaterial.

The Sheriff is defendant in various pending or threatened litigation. Although the outcome of these

lawsuits is not presently determinable, in the opinion of the Sheriff's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the Sheriff.

NOTE 5. RISK MANAGEMENT

The Sheriff is exposed to risk or loss for claims and judgments for public liability, worker's compensation, and other special risks. Public liability and special risks are covered by commercial insurance policies which are accounted for in the Sheriff's general fund. The Sheriff bears no risk of loss under this type of coverage. There has been no significant reduction in insurance coverage from the prior fiscal year. Insurance coverage has been sufficient to cover all claims made in the prior three fiscal years.

The Sheriff is a member of Florida Sheriffs' Self-Insurance Fund, which administers insurance activities relating to property and general liability; Florida Sheriffs' Workers' Compensation Self-Insurance Fund, which administers workers' compensation insurance; and Sheriffs' Automobile Risk Program which administers automobile liability and physical damage insurance. Those funds and program absorb losses up to a specified amount annually and purchase excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operation expenses. Losses, if any, in excess of the fund or program ability to assess its members, would revert back to the member that incurred the loss.

The Sheriff is a member of the Florida Sheriffs Multiple Employers Trust Consortium, which is a self-funded healthcare pool. The funds contributed in the form of premiums and that of the program absorb losses up to a specified amount annually and purchases excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operation expenses. Losses, if any, in excess of the fund or program ability to assess its members, would revert back to the member that incurred the loss.

The Sheriff utilizes a pooled, self-funded health plan to provide comprehensive medical benefits to the employees, retirees and their dependents. It is funded by contributions from the Sheriff's Office and employees. In compliance with *Florida Statute* Section 112.08, an actuarial review of the Plan demonstrates the current rate structure of the Plan plus the current net assets available for benefits appears adequate to support current outstanding claims as well as those projected claims and expenses for the next Plan year.

NOTE 6. UNEARNED REVENUE

The Sheriff reports unearned revenue, if applicable, on the balance sheet. Unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, and the government has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

NOTE 7. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2023, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are

externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the governing body. Commitments may be established, modified, or rescinded only through resolutions approved by the governing body.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the Sheriff.

Unassigned - all other spendable amounts.

Fund balances with restrictions are as follows at September 30, 2023:

| | Classification | | | | | Total |
|--------------------------|----------------|---------------------|-------------|-------------|-------------|---------------------|
| | Nonspendable | Restricted | Committed | Assigned | Unassigned | |
| Special Revenue Funds | | | | | | |
| Minimum Standards School | \$ - | \$ 20,050 | \$ - | \$ - | \$ - | \$ 20,050 |
| Drug Task Force | - | 33,486 | - | - | - | 33,486 |
| Inmate Welfare | - | 1,115,955 | - | - | - | 1,115,955 |
| Construction Fund | - | 2,315,985 | - | - | - | 2,315,985 |
| Work Program | - | 13,020 | - | - | - | 13,020 |
| | <u>\$ -</u> | <u>\$ 3,498,496</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,498,496</u> |

REQUIRED SUPPLEMENTARY INFORMATION

COLUMBIA COUNTY, FLORIDA
SHERIFF
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts | | Actual | Variance With |
|---------------------------------|------------------|-----------|------------|---------------|
| | Original | Final | Amounts | Final Budget |
| | | | | Positive |
| | | | | (Negative) |
| REVENUES | | | | |
| Intergovernmental revenue | | | | |
| Grants | \$ - | \$ - | \$ 156,969 | \$ 156,969 |
| Other intergovernmental revenue | - | - | 119,470 | 119,470 |
| Charges for services | | | 198,343 | 198,343 |
| Interest | - | - | 25,771 | 25,771 |
| Miscellaneous | - | - | 385,815 | 385,815 |
| | - | - | 886,368 | 886,368 |
| EXPENDITURES | | | | |
| Administration | | | | |
| Personnel services | 1,317,620 | 1,318,298 | 1,327,504 | (9,206) |
| Operating expenses | 216,278 | 218,600 | 210,149 | 8,451 |
| Debt service | 4,600 | 4,600 | 5,850 | (1,250) |
| Total administration | 1,538,498 | 1,541,498 | 1,543,503 | (2,005) |
| Road Patrol | | | | |
| Personnel services | 4,075,083 | 4,075,083 | 4,477,045 | (401,962) |
| Operating expenses | 662,700 | 862,135 | 863,564 | (1,429) |
| Capital outlay | 400,000 | 477,729 | 617,354 | (139,625) |
| Debt service | 4,300 | 4,300 | 3,414 | 886 |
| Total road patrol | 5,142,083 | 5,419,247 | 5,961,377 | (542,130) |
| Detective | | | | |
| Personnel services | 1,307,272 | 1,307,272 | 1,193,614 | 113,658 |
| Operating expenses | 134,950 | 144,950 | 159,165 | (14,215) |
| Debt service | 4,000 | 4,000 | 2,870 | 1,130 |
| Total detective | 1,446,222 | 1,456,222 | 1,355,649 | 100,573 |
| Civil | | | | |
| Personnel services | 490,068 | 490,068 | 493,903 | (3,835) |
| Operating expenses | 43,105 | 43,605 | 43,573 | 32 |
| Capital outlay | - | - | 1,139 | (1,139) |
| Debt service | 3,000 | 3,000 | 3,725 | (725) |
| Total civil | 536,173 | 536,673 | 542,340 | (5,667) |
| Records Evidence | | | | |
| Personnel services | 436,823 | 436,823 | 421,130 | 15,693 |
| Operating expenses | 33,200 | 33,200 | 18,567 | 14,633 |
| Debt service | 2,000 | 2,000 | 2,217 | (217) |
| Total records evidence | 472,023 | 472,023 | 441,914 | 30,109 |
| Communications | | | | |
| Personnel services | 54,766 | 54,766 | 58,643 | (3,877) |
| Operating expenses | 13,000 | 13,000 | 13,019 | (19) |
| Total communications | 67,766 | 67,766 | 71,662 | (3,896) |

See notes to schedule.

COLUMBIA COUNTY, FLORIDA
SHERIFF
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts | | Actual | Variance With |
|-------------------------------------|------------------|------------------|------------------|--|
| | Original | Final | Amounts | Final Budget Positive (Negative) |
| Corrections | | | | |
| Personnel services | 4,553,960 | 4,553,960 | 4,406,578 | 147,382 |
| Operating expenses | 1,302,560 | 1,304,060 | 1,490,327 | (186,267) |
| Capital outlay | 10,000 | 10,000 | 5,220 | 4,780 |
| Debt service | 11,000 | 11,000 | 10,158 | 842 |
| Total corrections | 5,877,520 | 5,879,020 | 5,912,283 | (33,263) |
| Sheriff task force | | | | |
| Personnel services | 509,947 | 509,947 | 588,246 | (78,299) |
| Operating expenses | 52,800 | 52,800 | 84,639 | (31,839) |
| Debt service | 2,300 | 2,300 | 20,944 | (18,644) |
| Total sheriff task force | 565,047 | 565,047 | 693,829 | (128,782) |
| School resources | | | | |
| Personnel services | 1,839,067 | 1,839,067 | 1,856,026 | (16,959) |
| Operating expenses | 145,500 | 145,500 | 124,815 | 20,685 |
| Total school resources | 1,984,567 | 1,984,567 | 1,980,841 | 3,726 |
| Bullet Proof Vest | | | | |
| Operating expenses | - | - | 8,177 | (8,177) |
| Total Bullet Proof Vest | - | - | 8,177 | (8,177) |
| Information technology | | | | |
| Operating expenses | 367,800 | 367,800 | 302,430 | 65,370 |
| Capital outlay | 100,000 | 127,855 | 186,365 | (58,510) |
| Total information technology | 467,800 | 495,655 | 488,795 | 6,860 |
| Community services | | | | |
| Personnel services | 195,651 | 195,651 | 295,828 | (100,177) |
| Operating expenses | 43,050 | 43,050 | 58,629 | (15,579) |
| Debt service | 300 | 300 | 544 | (244) |
| Total community services | 239,001 | 239,001 | 355,001 | (116,000) |
| Courts judicial | | | | |
| Personnel services | 845,867 | 845,867 | 686,298 | 159,569 |
| Operating expenses | 64,500 | 64,500 | 44,980 | 19,520 |
| Debt service | 2,500 | 2,500 | 1,746 | 754 |
| Total court judicial | 912,867 | 912,867 | 733,024 | 179,843 |
| Warrants | | | | |
| Personnel services | 149,671 | 149,671 | 145,728 | 3,943 |
| Operating expenses | 3,600 | 3,600 | 3,032 | 568 |
| Total warrants | 153,271 | 153,271 | 148,760 | 4,511 |
| Animal services | | | | |
| Operating expenses | 2,200 | - | - | - |
| Capital outlay | 126,695 | - | - | - |
| Total animal services | 128,895 | - | - | - |

See notes to schedule.

COLUMBIA COUNTY, FLORIDA**SHERIFF
GENERAL FUND****STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL****For the Fiscal Year Ended September 30, 2023**

| | Budgeted Amounts | | Actual Amounts | Variance With Final Budget Positive (Negative) |
|---|------------------|--------------|-------------------|---|
| | Original | Final | | |
| Guardian program | | | | |
| Operating expenses | - | - | 8,718 | (8,718) |
| Capital outlay | - | - | 42,303 | (42,303) |
| Total guardian program | - | - | 51,021 | (51,021) |
| CJDT grant | | | | |
| Operating expenses | - | - | 105,000 | (105,000) |
| Total CJDT grant | - | - | 105,000 | (105,000) |
| Crime analyst grant | | | | |
| Personnel services | - | - | 43,791 | (43,791) |
| Total crime analyst grant | - | - | 43,791 | (43,791) |
| Total expenditures | 19,531,733 | 19,722,857 | 20,436,967 | (714,110) |
| Excess of revenues over (under) expenditures | (19,531,733) | (19,722,857) | (19,550,599) | 172,258 |
| Other financing sources (uses) | | | | |
| Transfers from the Board of County Commissioners | 19,531,733 | 19,722,857 | 19,550,599 | (172,258) |
| Total other financing sources | 19,531,733 | 19,722,857 | 19,550,599 | (172,258) |
| Net change in fund balance | - | - | - | - |
| Fund balance beginning of year | - | - | - | - |
| Fund balance end of year | - | - | - | - |

See notes to schedule.

OTHER INFORMATION

**COLUMBIA COUNTY, FLORIDA
SHERIFF
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2023**

| | Minimum Standards School | Drug Task Force | Work Program | Totals |
|--------------------------------------|--------------------------------|--------------------|------------------|------------------|
| ASSETS | | | | |
| Cash | \$ 20,050 | \$ 32,461 | \$ 13,020 | \$ 65,531 |
| Due from other governmental units | - | 1,700 | - | 1,700 |
| Total assets | <u>\$ 20,050</u> | <u>\$ 34,161</u> | <u>\$ 13,020</u> | <u>\$ 67,231</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ 675 | \$ - | \$ 675 |
| Total liabilities | <u>-</u> | <u>675</u> | <u>-</u> | <u>675</u> |
| FUND BALANCES | | | | |
| Restricted | 20,050 | 33,486 | 13,020 | 66,556 |
| Total liabilities and fund balances | <u>\$ 20,050</u> | <u>\$ 34,161</u> | <u>\$ 13,020</u> | <u>\$ 67,231</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
SHERIFF
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2023**

| | Minimum Standards School | Drug Task Force | Work Program | Totals |
|---------------------------------|--------------------------------|--------------------|------------------|------------------|
| REVENUES | | | | |
| Intergovernmental | \$ - | \$ 6,290 | \$ - | \$ 6,290 |
| Charges for services | - | - | 48 | 48 |
| Fines and forfeitures | 8,783 | 5,850 | - | 14,633 |
| Interest | 206 | 463 | 77 | 746 |
| Miscellaneous | - | 218 | - | 218 |
| Total revenues | <u>8,989</u> | <u>12,821</u> | <u>125</u> | <u>21,935</u> |
| EXPENDITURES | | | | |
| Public Safety | | | | |
| Law enforcement | | | | |
| Operating expenses | 8,375 | 13,408 | - | 21,783 |
| Capital outlay | - | 45,729 | - | 45,729 |
| Total expenditures | <u>8,375</u> | <u>59,137</u> | <u>-</u> | <u>67,512</u> |
| Net change in fund balances | 614 | (46,316) | 125 | (45,577) |
| Fund balances beginning of year | 19,436 | 79,802 | 12,895 | 112,133 |
| Fund balances end of year | <u>\$ 20,050</u> | <u>\$ 33,486</u> | <u>\$ 13,020</u> | <u>\$ 66,556</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
SHERIFF
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
For the Fiscal Year Ended September 30, 2023**

| | Inmate Trust | Individual Depositors | Evidence Trust | Donations Trust | Total Custodial Funds |
|--------------------------------------|-------------------|--------------------------|-------------------|--------------------|-----------------------------|
| ASSETS | | | | | |
| Cash | \$ 395,132 | \$ 7,486 | \$ 104,382 | \$ 11,963 | \$ 518,963 |
| Total assets | <u>\$ 395,132</u> | <u>\$ 7,486</u> | <u>\$ 104,382</u> | <u>\$ 11,963</u> | <u>\$ 518,963</u> |
| LIABILITIES AND NET POSITION | | | | | |
| LIABILITIES | | | | | |
| Due to Board of County Commissioners | \$ - | \$ 5,996 | \$ - | \$ - | \$ 5,996 |
| Accounts payable | - | - | - | 104 | 104 |
| Due to other funds | 39,009 | - | - | - | 39,009 |
| Total liabilities | <u>39,009</u> | <u>5,996</u> | <u>-</u> | <u>104</u> | <u>45,109</u> |
| NET POSITION | <u>356,123</u> | <u>1,490</u> | <u>104,382</u> | <u>11,859</u> | <u>473,854</u> |
| Total liabilities and net position | <u>\$ 395,132</u> | <u>\$ 7,486</u> | <u>\$ 104,382</u> | <u>\$ 11,963</u> | <u>\$ 518,963</u> |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
SHERIFF
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Fiscal Year Ended September 30, 2023

| | Inmate Trust | Individual Depositors | Evidence Trust | Donations Trust | Total Custodial Funds |
|----------------------------------|-------------------|--------------------------|-------------------|--------------------|-----------------------------|
| ADDITIONS | | | | | |
| Funds held for others | \$ 622,871 | \$ - | \$ 47,140 | \$ 39,273 | \$ 709,284 |
| Sheriff civil fees | - | 110,285 | - | - | 110,285 |
| Total additions | <u>622,871</u> | <u>110,285</u> | <u>47,140</u> | <u>39,273</u> | <u>819,569</u> |
| DEDUCTIONS | | | | | |
| Funds held for others | 600,107 | - | 72,987 | 40,585 | 713,679 |
| Sheriff civil fees | - | 108,795 | - | - | 108,795 |
| Total deductions | <u>600,107</u> | <u>108,795</u> | <u>72,987</u> | <u>40,585</u> | <u>822,474</u> |
| Change in net position | 22,764 | 1,490 | (25,847) | (1,312) | (2,905) |
| Net position - beginning of year | <u>333,359</u> | <u>-</u> | <u>130,229</u> | <u>13,171</u> | <u>476,759</u> |
| Net position - end of year | <u>\$ 356,123</u> | <u>\$ 1,490</u> | <u>\$ 104,382</u> | <u>\$ 11,859</u> | <u>\$ 473,854</u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
SHERIFF
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended September 30, 2023**

| Federal and State Grantor/Pass Through Grantor Program Title | ALN | GRANT # | PROGRAM OR AWARD AMOUNT | REPORTED IN PRIOR YEARS | REVENUES RECOGNIZED | EXPENDITURES |
|--|------------|-------------------|--|------------------------------------|--------------------------------|---------------------|
| FEDERAL AWARDS | | | | | | |
| U.S. Department of Justice | | | | | | |
| Bureau of Justice Assistance/Office of Criminal Justice Grants | | | | | | |
| Bulletproof Vest Grant | 16.607 | FY2021 | \$ 6,300 | \$ 1,119 | \$ 5,181 | \$ 5,181 |
| | 16.607 | FY2022 | 6,899 | - | 2,997 | 2,997 |
| | 16.607 | FY2023 | 4,726 | - | - | - |
| Total U.S. Department of Justice | | | <u>17,926</u> | <u>1,119</u> | <u>8,177</u> | <u>8,177</u> |
| U.S. Department of Homeland Security passed through State of Florida Division of Emergency Management | | | | | | |
| Homeland Security Grant Program - Crime Analyst Grant | 97.067 | R0288 | 58,000 | 34,347 | 7,216 | 7,216 |
| Homeland Security Grant Program - Crime Analyst Grant | 97.067 | R0580 | 58,000 | - | 36,576 | 36,576 |
| Total U.S. Department of Homeland Security | | | <u>116,000</u> | <u>34,347</u> | <u>43,791</u> | <u>43,791</u> |
| Total Federal Awards | | | <u>\$ 133,926</u> | <u>\$ 35,467</u> | <u>\$ 51,969</u> | <u>\$ 51,969</u> |
| STATE FINANCIAL ASSISTANCE | | | | | | |
| Florida Department of Law Enforcement | | | | | | |
| Criminal Justice Data Transparency Implementation Assistance Program | 71.044 | 2022-DTSFA-D2-014 | \$ 105,000 | \$ - | \$ 105,000 | \$ 105,000 |
| Total State Financial Assistance | | | <u>\$ 105,000</u> | <u>\$ -</u> | <u>\$ 105,000</u> | <u>\$ 105,000</u> |
| Total Awards | | | <u>\$ 238,926</u> | <u>\$ 35,467</u> | <u>\$ 156,969</u> | <u>\$ 156,969</u> |

See notes to schedule.

**COLUMBIA COUNTY, FLORIDA
SHERIFF**

Notes to Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the special purpose financial statements of the Columbia County, Florida Sheriff have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Audits of States, Local Governments, and Non-Profit Organizations and Office of Management and Budget *Uniform Guidance*.

A. Reporting Entity

The Sheriff, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Sheriff's Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as a part of the primary government of Columbia County, Florida. The Sheriff's financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

These special purpose financial statements of the Sheriff are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurements made, regardless of the measurement focus.

The modified accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards. Under the modified accrual basis, revenues are recognized when they become 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 Columbia County Sheriff considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

OTHER REPORTS AND LETTERS

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

To the Honorable Mark Hunter
The Sheriff of Columbia County, Florida

We have audited, in accordance with the 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, the special purpose financial statements of the Columbia County Sheriff as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Columbia County Sheriff's special purpose financial statements, and have issued our report thereon dated April 30, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Columbia County Sheriff'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Columbia County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Columbia County Sheriff'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 a 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 may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City, Florida
April 30, 2024

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

To the Honorable Mark Hunter
The Sheriff of Columbia County, Florida

We have audited the special purpose fund financial statements of the Columbia County Sheriff, as of and for the year ended September 30, 2023, and have issued our report thereon dated April 30, 2024.

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, and Chapter 10.550, *Rules of the Florida Auditor General*.

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in this report which is dated April 30, 2024 should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. The Letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

Section 10.554(l)(i)l., Rules of the Auditor General, require 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 prior findings or recommendations.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Financial Emergency Status – We determined that the Sheriff had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.b. and 10.556(8)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.554(1)(f).

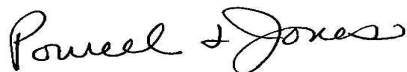
Financial Management – Section 10.554(1)(i)2., Rules of the Auditor General requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters – Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.550.

CONCLUSION

We have reviewed information regarding our audit with the Sheriff and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Sheriff's Office. We appreciate the overall high quality of the financial records and personnel in the Sheriff's Office. We also appreciate the helpful assistance, professionalism and courtesy afforded us by these employees.

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City, Florida
April 30, 2024

INDEPENDENT ACCOUNTANT'S REPORT

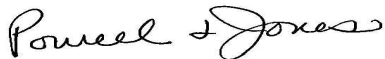
To the Honorable Mark Hunter
The Sheriff of Columbia County, Florida

We have examined the Columbia County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Sheriff's compliance with specified requirements.

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of the Columbia County, Florida Sheriff, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "Powell & Jones".

Powell and Jones CPA
Lake City, Florida
April 30, 2024

SUPERVISOR OF ELECTIONS

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2023
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Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200

INDEPENDENT AUDITOR'S REPORT

Honorable Tomi S. Brown, Supervisor of Elections
Columbia County, Florida

Opinions

We have audited the accompanying financial statements of the major fund of Columbia County, Florida Supervisor of Election (the Supervisor of Election), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Supervisor of Election'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 major fund of the Supervisor of Election, as of September 30, 2023, and the respective changes in financial position, for the year then ended in accordance 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 the Supervisor of Election 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.

The accompanying financial statements were prepared for the purpose of complying with Section 218.39(8), Florida Statutes, and Rule 10.557(5) of Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Supervisor of Election is part of the reporting for Columbia County, Florida. Accordingly, these financial statements are not a complete presentation of the reporting entity's basic financial statements.

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.

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 the Supervisor of Election'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 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 the Supervisor of Election'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 the Supervisor of Election'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.

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 16, 2024, on our consideration of the Supervisor of Election'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Columbia County Supervisor of Election's 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 Columbia County Supervisor of Election's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City, FL
July 16, 2024

FINANCIAL STATEMENTS

**COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
GENERAL FUND
BALANCE SHEET
September 30, 2023**

| | <u>General Fund</u> |
|--|--------------------------|
| ASSETS | |
| Current assets | |
| Cash | 131,796 |
| Due from other governmental units | 8,409 |
| Total assets | <u><u>\$ 140,205</u></u> |
| LIABILITIES AND FUND BALANCE | |
| LIABILITIES | |
| Current liabilities | |
| Accounts payable | 11,719 |
| Accrued payroll liabilities | 20,938 |
| Due to other funds | 107,548 |
| Total liabilities | <u>140,205</u> |
| FUND BALANCE | |
| Restricted | - |
| Total fund balances | <u>-</u> |
| Total liabilities and fund balances | <u><u>\$ 140,205</u></u> |

See notes to financial statements.

**COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 2023**

| | |
|--|--------------------|
| REVENUES | |
| Intergovernmental revenue | \$ 55,178 |
| Miscellaneous | 12,458 |
| Total revenues | <u>67,636</u> |
| EXPENDITURES | |
| Current expenditures | |
| General government | |
| Personnel services | 852,680 |
| Operating expenses | 390,172 |
| Capital outlay | 44,277 |
| Debt service | |
| Principal | 31,253 |
| Interest | 4,749 |
| Total expenditures | <u>1,323,131</u> |
| Excess of revenues over (under) expenditures | <u>(1,255,495)</u> |
| OTHER FINANCING SOURCES (USES) | |
| Interfund net transfers from Board of County Commissioners | 1,255,495 |
| Total other financing sources (uses) | <u>1,255,495</u> |
| Net change in fund balances | - |
| Fund balance beginning of year | - |
| Fund balance end of year | <u><u>\$ -</u></u> |

See notes to financial statements.

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Columbia County Supervisor of Elections (Supervisor of Elections).

A. Reporting Entity - The Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 39 "Determining Whether Certain Organizations Are Component Units an Amendment of GASB Statement 14," establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations.

The Supervisor of Elections, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Supervisor of Elections' Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor of Elections is reported as a part of the primary government of Columbia County, Florida. The Supervisor of Elections' financial statements do not purport to reflect the financial position or the results of operations of Columbia County, Florida, taken as a whole.

The financial statements of the Supervisor of Elections are issued separately to comply with Section 10.557(4), *Rules of the Auditor General for Local Governmental Entity Audits*, pursuant to Section 11.45(3), *Florida Statutes*.

B. Fund Accounting - Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund entity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds utilized by the Supervisor of Elections are as follows:

(i) **Governmental Fund**

General Fund - The General Fund of the Supervisor of Elections is used to account for all financial resources which are generated from operations of the office, or any other resources not required to be accounted for in another fund.

C. Basis of Accounting - Basis of Accounting refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The Supervisor of Elections currently maintains accounting records for all funds on the cash basis. However, for financial statement purposes appropriate adjustments are made to report governmental and fiduciary fund types using the modified accrual basis of accounting. Under the modified accrual basis, revenues are generally recognized when they become measurable and available as net current assets. Expenditures are reported when incurred with the exception of prepaid expenses and principal and interest on general long-term obligations.

The Supervisor of Elections reports unearned revenue, if applicable, on its combined balance sheet. Unearned revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

D. Budget - Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles and that budgets be adopted on a basis consistent with generally accepted accounting principles (GAAP). Pursuant to this requirement, the County adopts an annual comprehensive appropriations budget, which includes the operating budget of the Supervisor of Elections.

In the budget comparisons included in these financial statements, both the budgeted and the actual amounts reported are presented on the GAAP basis. Budgetary comparisons present the appropriated budget of the Supervisor of Elections.

E. Cash and Investments - Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed on the balance sheet as "Cash." At September 30, 2023, the book balance of the Supervisor of Elections' deposits was \$131,796. The total balance was covered by federal depository insurance.

F. Inventories - It is the policy of the Supervisor of Elections to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time would be a nominal amount and considered to be immaterial.

G. Capital Assets - Capital assets used in governmental fund type operations are accounted for in the Board of County Commissioners' general fixed assets accounts. All fixed assets acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. Equipment of the Board is depreciated using the straight-line method over useful lives of three to twelve years.

H. Compensated Absences - The Supervisor of Elections follows generally accepted accounting principles in accounting for accrued compensated absences. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the Supervisor of Elections and this practice is expected to continue in the future. The Supervisor of Elections maintained compensated absence records for the hours earned, used and available. As of September 30, 2023, the balance of compensated absences is \$43,467.

I. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Risk Management - The Supervisor of Elections is exposed to various risks of loss related to torts; theft of, damage to and destruction to property of others. The Supervisor of Elections directly purchases insurance and participates in the risk management program through the Columbia County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

NOTE 2. PENSION PLAN

Plan Description - The Supervisor of Elections contributes to the Florida Retirement System (System), a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, *Florida Statutes*, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida, or by calling (850) 488-5706.

Funding Policy - The System was employee non-contributory through June 30, 2011. Effective July 1, 2011, employees must contribute 3% of their gross wages. The Supervisor of Elections is required to contribute at an actuarially determined rate. The rates for the year ended September 30, 2023, were as follows:

| Class | October 1, 2022 - | July 1, 2023 - |
|---|-------------------|--------------------|
| | June 30, 2023 | September 30, 2023 |
| Regular Class | 11.91% | 13.57% |
| Special Risk Class | 27.83% | 32.67% |
| Special Risk Administrative Support | 38.65% | 39.82% |
| County Elected Officers | 57.00% | 60.00% |
| Senior Management Class | 31.57% | 34.52% |
| Deferred Retirement Option Program (DROP) | 18.60% | 21.13% |

The contribution requirements of plan members and the Supervisor of Elections are established and may be amended by the Florida Legislature. The Supervisor of Elections' contributions to the System for the years ending September 30, 2023, 2022, and 2021 were \$125,984, \$104,437, and \$87,790, respectively, equal to the required contributions for each year.

NOTE 3. OPERATING LEASE PAYABLE

The Supervisor of Elections has various leases for office equipment with remaining terms of one to five years at various monthly rates. The Supervisor of Elections reports leases as expenditures which totaled \$36,002 for the year ending September 30, 2023. Long term leases were reported as debt service principal and interest of \$31,253 and \$4,749 in the governmental fund financial statements as of September 30, 2023. Leases held by the Supervisor of Elections are reported as a right of use asset and lease liability in the government-wide financial statements of the County, in accordance with SGAS No. 87. The schedule below shows the annual interest expense and lease principal payments to maturity as of September 30, 2023:

| Year Ending September 30, | Payment | Interest | Principal |
|------------------------------|------------------|-----------------|------------------|
| 2024 | \$ 30,045 | \$ 2,960 | \$ 27,085 |
| 2025 | 24,004 | 1286 | 22,718 |
| 2026 | 7,690 | 267 | 7,423 |
| | <u>\$ 61,739</u> | <u>\$ 4,513</u> | <u>\$ 57,226</u> |

REQUIRED SUPPLEMENTARY INFORMATION

COLUMBIA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2023

| | Budgeted Amounts | | Actual | Variance With |
|--|------------------|-------------|-------------|---|
| | Original | Final | Amounts | Final Budget Positive (Negative) |
| REVENUES | | | | |
| Intergovernmental revenue | \$ - | \$ - | 55,178 | \$ 55,178 |
| Miscellaneous | - | - | 12,458 | 12,458 |
| Total revenues | - | - | 67,636 | 67,636 |
| EXPENDITURES | | | | |
| Current expenditures | | | | |
| General government | | | | |
| Personnel services | 854,628 | 854,628 | 852,680 | 1,948 |
| Operating expenses | 508,415 | 508,415 | 390,172 | 118,243 |
| Capital outlay | - | - | 44,277 | (44,277) |
| Debt service | | | | |
| Principal | - | - | 31,253 | (31,253) |
| Interest | - | - | 4,749 | (4,749) |
| Total expenditures | 1,363,043 | 1,363,043 | 1,323,131 | 39,912 |
| Excess of revenues over (under) expenditures | (1,363,043) | (1,363,043) | (1,255,495) | 107,548 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Interfund transfers from Board of County Commissioners | 1,363,043 | 1,363,043 | 1,255,495 | (107,548) |
| Total other financing sources (uses) | 1,363,043 | 1,363,043 | 1,255,495 | (107,548) |
| Net change in fund balances | - | - | - | - |
| Fund balance beginning of year | - | - | - | - |
| Fund balance end of year | \$ - | \$ - | \$ - | \$ - |

See Notes to the Financial Statements

COMPLIANCE SECTION

**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**

To Tomi S. Brown, Supervisor of Elections
Columbia County, Florida

We have audited, in accordance with the 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, the financial statements of the governmental fund of the Columbia County, Florida Supervisor of Elections (the "Supervisor of Elections"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements, and have issued our report thereon dated July 16, 2024

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Supervisor of Elections' 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 Columbia County Supervisor of Election's internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor of Elections' 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 a 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 noted two deficiencies in internal control that we consider to be material weaknesses. These material weaknesses have been discussed in the Management Letter below.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Powell & Jones".**Powell and Jones CPA**

Lake City, FL

July 16 2024

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Tomi S. Brown, Supervisor of Elections
Columbia County, Florida

We have audited the financial statements of the Columbia County, Florida Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2023, and have issued our report thereon dated July 16, 2024.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated July 16, 2024. Disclosures in that report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

Material Weaknesses

2023-1: Bank Reconciliations

The Supervisor's office has been unable to utilize its accounting software to perform bank reconciliations. As a result, we found that for the period from October 1, 2022 through September 30, 2023 that there had been no bank reconciliations completed.

Sound internal controls require reconciliation of cash accounts within a reasonable time period after receipt of the bank statement. If bank accounts are not reconciled on a monthly basis, errors or other issues may not be reconciled or resolved on a timely manner.

As a result of this matter, the Supervisor's office was unable to detect two duplicate entries and multiple other transactions that were not entered during the year, the accumulation of such errors would have resulted in a material misstatement had they not been found and corrected during the audit.

We recommend the Supervisor's office update its accounting software to a system that includes the ability to reconcile its bank statements, and that it begins to complete bank reconciliations on a monthly basis.

2023-2: Classification Review

The Supervisor's office receives the majority of its financial support through scheduled transfers from Columbia County's Board of County Commissioners (the Board). These transfers are intended to cover the Supervisor's approved budget for the year. After year-end, the Supervisor returns any excess funds received less expenditures incurred (net income) back to the Board. During the audit, we found that in June 2023, the Supervisor had recorded a liability for its monthly receipt from the Board of \$104,905 instead of recognizing it as an incoming transfer. The result was that the Supervisor's net income was lower, and accordingly, substantially less was returned to the Board than was due after year-end.

We recommend that the Supervisor's office include an internal control procedure whereby on a monthly basis, a review of a general ledger report containing the month's transactions be conducted to see if any material transactions were misclassified, and corrections, if necessary are made.

Significant Deficiencies

There were no significant deficiencies in the current year.

FINANCIAL COMPLIANCE MATTERS

Financial Emergency Status – We have determined that the Supervisor of Elections did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.b. and 10.556(8)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

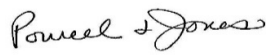
Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.554(1)(f).

Financial Management – 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 any such recommendations.

Additional Matters – Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

CONCLUSION

We have reviewed information regarding our audit with the Supervisor of Elections and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Supervisor of Elections' Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A handwritten signature in cursive script, appearing to read "Powell & Jones".

Powell and Jones CPA
Lake City, FL
July 16, 2024

INDEPENDENT ACCOUNTANT'S REPORT

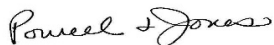
To the Honorable Tomi S. Brown, Supervisor of Elections
Columbia County, Florida

We have examined the Columbia County, Florida Supervisor of Elections' (the "Supervisor of Elections") compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Supervisor of Elections compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor of Elections compliance with specified requirements.

In our opinion, the Supervisor of Elections complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of the Columbia County, Florida Supervisor of Elections, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



Powell and Jones CPA
Lake City, FL
July 16, 2024