# Washington County, Florida

FINANCIAL STATEMENTS

September 30, 2023

Washington County, Florida

## **Principal Officers**

## **Board of County Commissioners**

Alan Bush	District 1
David Pettis, Jr	District 2
Tray Hawkins	District 3
Wesley Griffin	District 4
David Corbin	District 5

**SHERIFF** 

**Kevin Crews** 

TAX COLLECTOR

Ken Naker

PROPERTY APPRAISER

SUPERVISOR OF ELECTIONS

Gil Carter

Deidra Pettis

CLERK OF THE CIRCUIT COURT Lora Bell

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### **INDEPENDENT AUDITOR'S REPORT**

Honorable Members of the Board of County Commissioners Washington County, Florida

### Report on the Audit of the Financial Statements

### Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Washington County, Florida (the "County"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2023 and the respective changes in financial position and the respective budgetary comparison for each major fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Highway 79 Corridor Authority or the Sunny Hills Units 12-15 Dependent District, which is 100% of the assets, liabilities, net position, revenues, and expenses of the component units as of September 30, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Highway 79 Corridor Authority and the Sunny Hills Units 12-15 Dependent District, is based solely on the report of the other auditors.

## **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 County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, on pages 5 through 11 schedule of changes in total OPEB liability and related ratios, schedule of employer's proportionate share of the net pension liability – Florida Retirement Systems Pension Plan, schedule of employer contributions – Florida Retirement Systems Pension Plan, schedule of employer's proportionate share of the net pension liability -Health Insurance Subsidy Program and schedule of employer contributions – Health Insurance Subsidy Program, on pages 65 through 69, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and combining and individual statement of fiduciary net position schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and Chapter 10.550, Local Governmental Audits, Rules of the Auditor General of the State of Florida, and neither schedule is a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate 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, combining and individual statement of fiduciary net position schedules, and the schedule of expenditures of federal awards and state financial assistance 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 June 28, 2024, on our consideration of the 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 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 County'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 the County's internal control over financial reporting and compliance.

Carr, Riggs & Chypan, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama June 28, 2024

The management of Washington County, Florida has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues; (b) provide an overview and analysis of the County's financial activities; (c) identify changes in the County's financial position; (d) identify material deviations from the approved budget; and (e) highlight significant issues in individual funds. Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the County's financial statements and notes to financial statements.

## FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-2023 fiscal year are as follows:

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$97,774,532.
- The County's total net position increased by \$27,865,665 which represents a 39.86% increase from the 2021-2022 fiscal year.
- As of the close of the current fiscal year, the County's governmental funds reported total fund balances of \$11,160,660, a decrease of \$6,260,236.
- Unassigned fund balance for all governmental funds total \$1,094,827 as of September 30, 2023 compared to total governmental fund balances of \$11,160,660 at the same date.
- Unassigned Governmental Fund Balance of \$1,094,827 is different from the Unrestricted Net Position amount on the Statement of Net Position (deficit) of (\$12,925,734) due to reporting requirements regarding long-term liabilities and capital assets which are not included on the Governmental Fund Balance Sheet.
- During the current year, General Fund Revenues exceeded Expenditures and Other Financing Sources (Uses) by \$4,672,715. This is primarily due to expenditures being less than the budgeted expenditures by \$1,235,711 and \$4,000,000 of proceeds from the issuance of debt during the year.
- Long-term liabilities increased by \$7,712,200. This increase was primarily due to an increase in the pension liability as noted on Page 48 of the Financial Report and a new line of credit with a \$4,000,000 balance at year-end.

## 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 three components:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to Financial Statements

In addition, this report presents certain required supplementary information.

### **Government-Wide Financial Statements**

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

- The statement of net position provides information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the County is strengthening or weakening.
- The statement of activities presents information showing how the County's net position changed during the 2023 fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes earned, and earned but unused vacation leave).

Both of these financial statements present the functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include general government, public health and safety, physical environment, transportation, economic environment, human services, culture and recreation, and court related.

The government-wide financial statements include not only the County itself (known as the primary Government), but also the legally separate component units of the Sunny Hills Units 12-15 Dependent District and the Highway 79 Corridor Authority. Financial information for these component units are reported separately from the financial information presented for the primary government itself. The Sunny Hills Units 12-15 Dependent District and the Highway 79 Corridor Authority have separately issued financial reports which can be obtained by the individual Districts' office or the Washington County Board of County Commissioners. The primary government also includes a blended component unit, Northwest Florida Community Hospital District. Additional information concerning the component units is included in the Note 1 of the notes to the Financial Statements.

## **Fund Financial Statements**

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Certain funds are established by law while others are created by legal agreements. Fund financial statements provide more detailed information about the County's financial activities, focusing on its most significant or "major" funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide statements. All of the County's funds may be classified in the broad category of Governmental Funds and Fiduciary (Agency) Funds as discussed below.

- Governmental Funds These are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. This financial resources measurement focus allows the governmental fund statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year. Consequently, the governmental fund statements provide a detailed short-term view that may be used to evaluate the County's near-term financing requirements. This short term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation of governmental funds to governmental activities.
- Fiduciary (Agency) Funds Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the County's own programs. In its fiduciary capacity, the County is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

#### **Infrastructure Assets**

While the County has implemented the major model portions of GASB #34, the County will defer implementing the infrastructure portion (related to general government activities) until some future date to be determined. Historically, a government's largest group of assets (infrastructure-roads, bridges, traffic signals, and underground pipes) have not been reported nor depreciated in government financial statements. This statement requires that these assets be valued and reported within the governmental column of the government-wide statements. Additionally, the government must elect to either (a) depreciate these assets over their estimated useful life or (b) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. The following is a summary of the County's net position as of September 30, 2023 and September 30, 2022.

		Governmental Activities	Governmental Activities
		September 30, 2023	September 30, 2022
Current and Other Assets	\$	24,539,469	\$ 28,221,673
Capital Assets	·	111,890,443	71,078,844
Total Assets		136,429,912	99,300,517
Deferred Outflows, Pensions			
and OPEB		5,638,249	4,758,238
Current Liabilities		11,922,817	10,402,034
Long Term Liabilities		29,494,419	21,782,219
Total Liabilities		41,417,236	32,184,253
Deferred Inflows		2,876,393	1,965,635
Net Position			
Net Investment in Capital Assets		104,340,673	66,944,161
Restricted		6,359,593	7,069,976
Unrestricted (deficit)		(12,925,734)	(4,105,270)
Total Net Position	\$	97,774,532	\$ 69,908,867

At September 30, 2023 the largest portion of the County's net position reflected investment in capital assets (e.g. land, buildings, infrastructure and equipment), less any related outstanding debt used to acquire those assets in the amount of \$104,340,673. 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 assets themselves can't be used to liquidate these liabilities. An additional portion of the County's net position represent resources that are dedicated or subject to restrictions on how they may be used in the amount of \$6,359,593. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

### **Statement of Activities**

	Governmental Activities September 30, 2023	Governmental Activities September 30, 2022
Revenues:		
Program Revenues:		
Charges for Service	\$ 6,476,596	\$ 5,757,993
Operating Grants and Contributions	5,652,438	4,877,817
Capital Grants and Contributions	35,495,009	28,679,867
General Revenues:		
Property Taxes	10,452,283	9,281,679
Local Option Taxes	4,558,258	4,460,063
Sales Tax and Other Taxes	901,724	989,264
Intergovernmental and Shared	4,414,905	4,281,785
Investment Earnings	46,309	23,490
Gain (Loss) on Sale of Capital Assets	1,321,065	-
Miscellaneous	793,391	2,704,536
Total Revenues	70,111,978	61,056,494
Expenses:		
Program Activities:		
General Government	9,536,732	9,308,692
Public Safety	14,978,635	11,408,430
Physical Environment	468,541	406,142
Transportation	11,982,868	14,850,790
Economic Development	2,208,123	3,581,036
Human Services	706,858	723,147
Culture and Recreation	977,991	911,468
Court Related	1,260,282	221,146
Interest on Long-Term Debt	126,283	143,471
Total Expenses	42,246,313	41,554,322
Change in Net Position	27,865,665	19,502,172
Net Position, Beginning	 69,908,867	 50,406,695
Net Position, Ending	\$ 97,774,532	\$ 69,908,867

Governmental activities increased the County's net position by \$27,865,665 or approximately 39.86%. Total revenues increased by \$9,055,484 from the prior year with a major factor being an increase in capital grants and contributions. Total expenses increased by \$691,991 from the prior year largely due to road improvement costs and public safety.

### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

This section provides an analysis of the balances and transactions of individual funds. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### **MAJOR GOVERNMENT FUNDS**

The General Fund is the chief operating fund of the County. General operating funds of the Clerk of the Circuit Court, Property Appraiser, Sheriff, Tax Collector and Supervisor of Elections represent sub funds of the County's General Fund that are held and accounted for individually, but presented with the balance of the Board of County Commissioners' operating funds.

At the end of the current fiscal year, the total unassigned General Fund balance was \$14,079,064 while the total fund balance was \$16,468,190. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to total General Fund expenditures. The unassigned fund balance represents 79.31% of the total general fund expenditures, while total fund balance represents 92.77% of the same amount. The unassigned total governmental fund balance decreased by \$5,489,444 during 2022-2023 fiscal year due primarily to losses within the Hurricane Michael fund due to ongoing discussions with FEMA on expenditure reimbursements.

## GENERAL FUND BUDGETARY HIGHLIGHTS

During the course of the 2022-2023 fiscal year, the County amended its General Fund Budget one time to address a small increase in revenues and expenditures. Variances disclosed on the budget and actual statements are considered normal to the County's operations.

#### CAPITAL ASSETS

The County's investment in capital assets for its governmental activities as of September 30, 2023 amounted to \$111,890,443 net of accumulated depreciation. This investment in capital assets includes land, buildings and fixed equipment, furniture, fixtures, infrastructure and equipment.

## LONG-TERM DEBT

At the end of fiscal year ended September 30, 2023, the County had long-term liabilities totaling \$29,494,419. Of this amount, inter-local agreement payables outstanding were \$139,000, notes payable were \$2,899,121, and capital leases were \$650,649. Also, there is \$875,516 to address compensated absences obligations, \$20,521,106 for pension liability (GASB 68), \$409,027 for OPEB liabilities, and the remaining amount of \$4,000,000 for a line of credit.

### ECONOMIC FACTORS-WASHINGTON COUNTY, FLORIDA

The unemployment rate for the County was 2.5% at September 2023. The rate was 2.9% at September 2022.

Population is estimated at 25,318 as of September 2023 and 25,414 as of September 2022.

The taxable value for personal and real property in the County is \$1,100,227,042 for fiscal year ending September 30, 2023 and \$1,098,723,807 for the fiscal year ending September 30, 2022.

The general ad valorem tax mileage rate was 8.5 for the fiscal year ending September 30, 2023 and 8.5 for the fiscal year ending September 30, 2022.

The budgeted expenditures for the fiscal year ending September 30, 2023 represents an increase of 5.51% over the September 30, 2022 budget.

#### **REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of Washington County's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Washington County Board of County Commissioners, Washington County, Florida.

## Washington County, Florida Statement of Net Position

	Primary Government	Componen	ıt Unit
		Sunny Hills	Highway 79
	Governmental	Units 12-15	Corridor
September 30, 2023	Activities	Dependent District	Authority
Assets			
Current assets			
Cash and cash equivalents	\$ 13,534,106	\$ 1,924	\$ 86,378
Accounts receivable, net	2,123,558	-	870
Leases receivable	93,151	-	-
Due from other governments	6,551,861	-	-
Inventory	129,283	-	-
Assessments receivable	-	10,913	-
Prepaid expenses	-	3,730	-
Notes receivable	95,796	-	-
Total current assets	22,527,755	16,567	87,248
Noncurrent assets			
Notes receivable	2,011,714	-	-
Capital assets, net			
Nondepreciable capital assets	9,530,696	1,770,313	29,258
Depreciable capital assets, net	102,359,747	-	2,487,972
Total noncurrent assets	113,902,157	1,770,313	2,517,230
Total assets	136,429,912	1,786,880	2,604,478
Deferred Outflows of Resources			
Other post-employment benefits	62,440	-	-
Pension	5,575,809	-	-
Total deferred outflows of resources	5,638,249	-	-

-Continued-

## Washington County, Florida Statement of Net Position (Continued)

		Primary		
		Government	Componen	t Unit
			Sunny Hills	Highway 79
	(	Governmental	Units 12-15	Corridor
September 30, 2023		Activities	Dependent District	Authority
Liabilities				
Accounts payable and accrued expenses		5,442,709	2,599	11,119
Due to other governments		54,656	-	-
Unearned revenue		6,425,452	-	37,000
Long-term liabilities				
Portion due or payable within one year				
Notes payable		513,100	-	-
Leases payable		209,111	-	-
Interlocal agreement payable		5,000	-	-
Compensated absences		87,552	-	-
Portion due or payable after one year				
Notes payable		2,386,021	-	-
Leases payable		441,538	-	-
Interlocal agreement payable		134,000	-	-
Line of credit		4,000,000	-	-
Compensated absences		787,964	-	-
Net pension liability		20,521,106	-	-
Total OPEB liability		409,027	-	-
Total liabilities		41,417,236	2,599	48,119
Deferred Inflows of Resources				
Unavailable revenue on settlement allocations		1,371,430	-	-
Related to leases		84,562	-	-
Other post-employment benefits		79,791	-	-
Pension		1,340,610	-	-
Total deferred inflows of resources		2,876,393	-	-
Net Position				
Net investment in capital assets		104,340,673	1,770,313	2,517,230
Restricted		6,359,593	-	-
Unrestricted (deficit)		(12,925,734)	13,968	39,129
Total net position	\$	97,774,532	\$ 1,784,281	\$ 2,556,359
	ې	57,774,552	۲,704,201 پ	עני <u>טרי</u> יד ל

## Washington County, Florida Statement of Activities

For the year ended September 30, 2023		Program Reve	nues
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions
	Expenses	50110005	contributions
Primary Government			
Governmental activities			
General government	\$ 9,536,732	\$ 1,824,614 \$	3,232,853
Public safety	14,978,635	4,447,317	343,528
Physical environment	468,541	-	165,364
Transportation	11,982,868	-	-
Economic environment	2,208,123	-	1,601,323
Human services	706,858	-	51,998
Culture and recreation	977,991	-	257,372
Court related	1,260,282	204,665	-
Interest on long-term debt	126,283	-	
Total primary government	\$ 42,246,313	\$ 6,476,596 \$	5,652,438
Component Unit			
Sunny Hills Dependent District	\$ 26,356	\$ - \$	38,727
Highway 79 Corridor Authority	\$ 236,186	\$ - \$	-

#### **General Revenues**

Taxes Property taxes Local option taxes Sales tax and other taxes Intergovernmental and shared revenue Investment earnings Gain (loss) on sale of capital assets Miscellaneous Total general revenues Change in net position Net position, beginning of year Net position, end of year

	Changes in Net Position					
	Prim	ary Government		Component	Unit	s
 Capital Grants and Contributions		Governmental Activities	D	Sunny Hills Units 12-15 ependent District		Highway 79 Corridor Authority
\$ -	\$	(4,479,265) (10,187,790)	\$	-	\$	-
-		(303,177)		-		-
35,495,009		23,512,141		-		-
		(606,800)		-		-
-		(654,860)		-		-
-		(720,619)		-		-
-		(1,055,617)		-		-
 -		(126,283)		-		-
\$ 35,495,009		5,377,730		-		-
\$ 		_		12,371		-
\$ 120,000		-		-		(116,186)
		10,452,283		-		-
		4,558,258		-		-
		901,724		-		-
		4,414,905		-		-
		46,309		-		-
		1,321,065		-		-
		793,391		-		-
		22,487,935		-		-
		27,865,665		12,371		(116,186)
		69,908,867		1,771,910		2,672,545
	\$	97,774,532	\$	1,784,281	\$	2,556,359

# Net (Expense) Revenue and

## Washington County, Florida Balance Sheet – Governmental Funds

September 30, 2023	General	Transportation Trust	Hurricane Michael
Assets			
Cash and cash equivalents	\$ 1,096,443	\$ 2,274,005	\$ 1,457,489
Accounts receivable, net	1,700,474	-	-
Leases receivable	93,151	-	-
Due from other funds	12,813,239	12,633	-
Due from other governments	908,739	872 <i>,</i> 593	1,372,861
Inventory	-	129,283	-
Note receivable	2,107,510	-	-
Total assets	\$ 18,719,556	\$ 3,288,514	\$ 2,830,350
Liabilities, Deferred Inflows of Resources and Fund Balances Liabilities			
Accounts payable and accrued expenses	\$ 582,810	\$ 144,606	\$ 3,751,995
Due to other funds	101,314	-	9,823,817
Due to other governmental units	-	-	-
Unearned revenue	111,250	-	2,055,903
Total liabilities	795,374	144,606	15,631,715
Deferred inflows of resources Unavailable revenue on			
settlement allocations	1,371,430	-	-
Deferred inflows related to leases	84,562	-	-
Total deferred inflows of resources	1,455,992	-	-
Fund balances			
Nonspendable	2,107,510	129,283	-
Restricted	281,616	3,014,625	-
Committed	-	-	-
Assigned	-	-	-
Unassigned (deficit)	14,079,064	-	(12,801,365)
Total fund balances (deficit)	16,468,190	3,143,908	(12,801,365)
Total liabilities, deferred inflows of resources, and fund balances	\$ 18,719,556	\$ 3,288,514	\$ 2,830,350

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

American	Nonmajor		Total
Rescue	Governmental	e	Governmental
 Act	Funds		Funds
\$ 3,003,533	\$ 5,702,636	\$	13,534,106
-	423,084		2,123,558
-	-		93,151
-	96,856		12,922,728
-	3,397,668		6,551,861
-	-		129,283
 -	-		2,107,510
\$ 3,003,533	\$ 9,620,244	\$	37,462,197
\$ -	\$ 963,298	\$	5,442,709
-	2,997,597		12,922,728
-	54,656		54,656
3,003,533	1,254,766		6,425,452
3,003,533	5,270,317		24,845,545
-	-		1,371,430
-	-		84,562
 -	-		1,455,992
			_,,
-	-		2,236,793
-	3,063,352		6,359,593
-	1,059,512		1,059,512
-	409,935		409,935
-	(182,872)		1,094,827
-	4,349,927		11,160,660
\$ 3,003,533	\$ 9,620,244	\$	37,462,197

## Washington County, Florida Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

September 30, 2023		
Total fund balances - governmental funds		\$ 11,160,660
Amounts reported for governmental activities in the statement of net p different because:	oosition are	
Capital assets used in governmental activities are not current financial	resources and,	
therefore, are not reported in the funds.		
Governmental capital assets, net		111,890,443
Other post-employment benefit ("OPEB") related deferred outflows, deferred inflows and total OPEB obligation represent an acquisition or consumption of net assets that applies to a future period and, therefore, are not reported as liabilities or assets in the governmental funds. Deferred outflows related to post-employment benefits Deferred inflows related to post-employment benefits Deferred outflows related to pension liabilities Deferred inflows related to pension liabilities Net pension liabilities	\$ 62,440 (79,791) 5,575,809 (1,340,610) (20,521,106)	
Other post-employment benefit obligation	(409,027)	(16,712,285)
Other liabilities not due and payable in the current period and, therefore, not reported in the governmental fund are as follows:		
Lease obligations	\$ (650,649)	
Interlocal agreement payable	(139,000)	
Notes payable	(2,899,121)	
Line of credit	(4,000,000)	
Compensated absences	(875,516)	
Net position of governmental activities		\$ 97,774,532

## Washington County, Florida Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

For the year ended September 30, 2023		General Fund		Transportation Trust		Hurricane Michael
Revenues		T diffd		indst		Witchder
Taxes	\$	13,288,247	\$	1,980,967	\$	_
Licenses and permits	Ļ	2,041,184	Ļ	12,120	Ļ	-
Intergovernmental		3,828,994		1,115,970		32,982,395
Charges for services		1,299,802		1,113,970		
Fines and forfeitures		1,513		-		_
Investment earnings		12,498		19,518		866
Miscellaneous revenue		447,528		10,240		-
Total revenues		20,919,766		3,138,815		32,983,261
Expenditures						
General government		8,208,680		-		_
Public health and safety		6,928,342		-		_
Physical environment		182,914		-		-
Transportation				3,976,105		2,567,281
Economic environment		390,202				
Human services		614,968		-		-
Culture and recreation		159,996		-		-
Court related		37,175		-		-
Capital outlay		1,229,633		2,509,222		40,562,084
Debt service		, -,		,,		-,,
Principal		-		119,878		-
Interest and other charges		-		33,626		-
Total expenditures		17,751,910		6,638,831		43,129,365
Excess (deficiency) of revenues						
over (under) expenditures		3,167,856		(3,500,016)		(10,146,104)
		0)207)000		(0)000)010)		(
Other Financing Sources (Uses)						
Proceeds from issuance of debt		4,000,000		-		-
Proceeds from sale of capital assets		-		1,445,732		-
Transfers in		415,648		-		-
Transfers out		(2,910,789)		-		-
Net other financing sources (uses)		1,504,859		1,445,732		-
Net changes in fund balances		4,672,715		(2,054,284)		(10,146,104)
Fund balances (deficit) - beginning of the year		11,795,475		5,198,192		(2,655,261)
Fund balances (deficit) - end of the year	\$	16,468,190	\$	3,143,908	\$	(12,801,365)

	American	Nonmajor	Total
	Rescue	Governmental	Governmental
	Act	Funds	Funds
\$	- \$	643,051 \$	15,912,265
Ŧ	-	453,446	2,506,750
	1,018,643	6,621,200	45,567,202
	-	2,514,424	3,814,226
	-	154,107	155,620
	-	13,427	46,309
	409,077	191,468	1,058,313
	1,427,720	10,591,123	69,060,685
	_, , ,		,,
	-	1,163,961	9,372,641
	1,197,720	3,778,930	11,904,992
		284,330	467,244
	-	1,768,024	8,311,410
	-	1,554,833	1,945,035
	-	60,342	675,310
	-	721,844	881,840
	-	209,035	246,210
	-	1,946,060	46,246,999
	-	470,035	589,913
	-	91,433	125,059
	1,197,720	12,048,827	80,766,653
	230,000	(1,457,704)	(11,705,968)
	-	-	4,000,000
	-	-	1,445,732
	-	2,910,789	3,326,437
	(230,000)	(185,648)	(3,326,437)
	(230,000)	2,725,141	5,445,732
	-	1,267,437	(6,260,236)
	-	3,082,490	17,420,896
\$	- \$	4,349,927 \$	11,160,660

## Washington County, Florida Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the year ended September 30,	2023
Net change in fund balances - total governmental funds	\$ (6,260,236)
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the statement of net position.	45,489,409
Depreciation expense on governmental capital assets included in the governmental activities in the statement of net position.	(4,553,143)
In the statement of activities, the gain or loss on the disposal of capital assets is reported. Whereas in the governmental funds, total proceeds from disposals are reported. Thus, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets.	(124,667)
Issuance of long-term debt is an other financing source in the governmental funds, but increases long-term liabilities in the statement of net position.	(4,000,000)
Repayment of long-term debt is reported as an expenditure in governmental funds but as a reduction of long-term liabilities in the statement of net assets.	589,913
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These expenses include:	
Other post-employment benefits	(3,394)
Pension expenses Compensated absences	(3,177,192) (95,025)
	(55,025)
Change in net position of governmental activities	\$ 27,865,665

## Washington County, Florida General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual

				١	Variance with Final Budget
	Original	Final			Positive
For the year ended September 30, 2023	Budget	Budget	Actual		(Negative)
Revenues					
Taxes	\$ 12,805,975	\$ 12,805,975	\$ 13,288,247	\$	482,272
Licenses and permits	1,408,500	1,976,917	2,041,184		64,267
Intergovernmental	3,075,580	3,372,712	3,828,994		456,282
Charges for services	1,599,996	1,861,355	1,299,802		(561,553)
Fines and forfeitures	3,000	3,000	1,513		(1,487)
Investment earnings	-	4,260	12,498		8,238
Miscellaneous revenue	1,671,644	1,714,268	447,528		(1,266,740)
Total revenues	20,564,695	21,738,487	20,919,766		(818,721)
Expenditures					
Current					
General government	8,998,608	8,597,625	8,208,680		388,945
Public safety	7,144,277	7,660,076	6,928,342		731,734
Physical environment	212,047	177,881	182,914		(5,033)
Economic environment	689,427	700,076	390,202		309,874
Human services	712,973	614,917	614,968		(51)
Culture and recreation	161,037	161,437	159,996		1,441
Court related	46,770	46,370	37,175		9,195
Capital outlay	14,549	977,239	1,229,633		(252,394)
Debt service	52,000	52,000	-		52,000
Total expenditures	18,031,688	18,987,621	17,751,910		1,235,711
Excess (deficiency) of revenues					
over (under) expenditures	2,533,007	2,750,866	3,167,856		416,990
Other Financing Sources (Uses)					
Proceeds from issuance of debt	-	-	4,000,000		4,000,000
Transfers in	30,000	144,193	415,648		271,455
Transfers out	(2,477,620)	(2,958,440)	(2,910,789)		47,651
Net other financing sources (uses)	(2,447,620)	(2,814,247)	1,504,859		4,319,106
Net change in fund balance	85,387	(63,381)	4,672,715		4,736,096
Fund balances - beginning of the year	11,795,475	11,795,475	11,795,475		-
Fund balances - end of the year	\$ 11,880,862	\$ 11,732,094	\$ 16,468,190	\$	4,736,096

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

## Washington County, Florida Transportation Trust Fund Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual

	Original	Final		riance with nal Budget Positive
For the year ended September 30, 2023	Budget	Budget	Actual	(Negative)
Revenues				
Taxes	\$ 1,840,181	\$ 1,840,181	\$ 1,980,967	\$ 140,786
Licenses and permits	10,000	10,000	12,120	2,120
Intergovernmental	1,000,323	1,000,323	1,115,970	115,647
Investment earnings	-	-	19,518	19,518
Miscellaneous revenue	7,000	7,000	10,240	3,240
Total revenues	2,857,504	2,857,504	3,138,815	281,311
Expenditures				
Current				
Transportation	3,821,863	4,064,434	3,976,105	88,329
Capital outlay	1,010,025	2,490,074	2,509,222	(19,148)
Debt service				
Principal	119,878	119,878	119,878	-
Interest	33,626	33,626	33,626	-
Total expenditures	4,985,392	6,708,012	6,638,831	69,181
Excess (deficiency) of revenues over (under) expenditures	(2,127,888)	(3,850,508)	(3,500,016)	350,492
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	300,000	1,334,628	1,445,732	111,104
Net change in fund balance	(1,827,888)	(2,515,880)	(2,054,284)	461,596
Fund balances - beginning of the year	5,198,192	5,198,192	5,198,192	 -
Fund balances - end of the year	\$ 3,370,304	\$ 2,682,312	\$ 3,143,908	\$ 461,596

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

## Washington County, Florida Hurricane Michael Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual

				Variance with
	Original	Final		Final Budget Positive
For the year ended September 30, 2023	Budget	Budget	Actual	(Negative)
Revenues				
Intergovernmental	\$ 50,000,000	\$ 50,000,000	\$ 32,982,395	\$ (17,017,605)
Investment earnings	-	929	866	(63)
Total revenues	50,000,000	50,000,929	32,983,261	(17,017,668)
Expenditures				
Current				
Transportation	33,474,672	33,475,601	2,567,281	30,908,320
Capital outlay	16,525,328	16,525,328	40,562,084	(24,036,756)
Total expenditures	50,000,000	50,000,929	43,129,365	6,871,564
Excess (deficiency) of revenues over (under) expenditures	-	_	(10,146,104)	(10,146,104)
(under) experiateres			(10,140,104)	(10,140,104)
Net change in fund balance	-	-	(10,146,104)	(10,146,104)
Fund balances (deficit) - beginning of the year	-	-	(2,655,261)	(2,655,261)
Fund balances (deficit) - end of the year	\$-	\$-	\$ (12,801,365)	\$ (12,801,365)

## Washington County, Florida American Rescue Act Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual

				Variance with Final Budget
	Original	Final		Positive
For the year ended September 30, 2023	Budget	Budget	Actual	(Negative)
Revenues				· · ·
Intergovernmental	\$ 2,473,916	\$ 2,473,916	\$ 1,018,643	\$ (1,455,273)
Miscellaneous revenue	-	-	409,077	409,077
Total revenues	2,473,916	2,473,916	1,427,720	(1,046,196)
Expenditures				
Current				
Public health and safety	4,000,000	3,770,000	1,197,720	2,572,280
Excess (deficiency) of revenues over (under) expenditures	(1,526,084)	(1,296,084)	230,000	1,526,084
Other Financing Sources (Uses)				
Transfers out	-	(230,000)	(230,000)	-
Net change in fund balance	(1,526,084)	(1,526,084)	-	1,526,084
Fund balances - beginning of the year	1,526,084	1,526,084	-	(1,526,084)
Fund balances - end of the year	\$ -	\$-	\$-	\$ -

## Washington County, Florida Statement of Fiduciary Net Position – Fiduciary Funds

September 30, 2023	Custodial Funds
Assets	
Cash and cash equivalents	\$ 1,504,790
Due from other governments	13,549
Total assets	\$ 1,518,339
Liabilities	
Due to other funds	\$ 1,141,349
Due to other governments	282,385
Total liabilities	1,423,734
Net Position	
Restricted	94,605
Total liabilities and net position	\$ 1,518,339

## Washington County, Florida Statement of Changes in Fiduciary Net Position – Fiduciary Funds

		Custodial
For the year ended September 30, 2023		Funds
Additions		
	ć	7 024 506
Clerk of circuit and county courts collections	\$	7,021,596
Tax collections and fees		
for other governments		27,072,659
Collections for others		222,333
Total additions		34,316,588
		, ,
Deductions		
Payments of clerk of circuit and county courts collections		7,021,596
Payments of tax and fees		
to other governments		27,072,659
Payments to others		200,447
Total deductions		34,294,702
		3 1,23 1,7 02
Net increase in fiduciary net position		21,886
Net position, beginning of year		72,719
Net position, end of year	\$	94,605

#### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Presentation**

The financial statements of Washington County, Florida (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units in accordance with the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the County's financial statements.

### Reporting Entity

Washington County, Florida (the "County") located in Northwest Florida, is a political subdivision of the State of Florida and provides services to approximately 25,000 residents in many areas including general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation. The County was established December 29, 1825, by the Territorial Legislative Council. It is governed by a five-member elected Board of County Commissioners (the "Board"), which derives its authority by Florida Statutes and regulations. In addition to the members of the Board, there are five elected constitutional officers: Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

The financial reporting entity consists of the County and its component units, which are legally separate organizations for which the County is financially accountable. The County is financially accountable for legally separate organizations if County officials appoint a voting majority of an organization's governing body and either the County is able to impose its will on the organization, or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burden on the County. The County may also be financially accountable for organizations that are fiscally dependent on the County if there is a potential for the organizations to provide specific financial burdens on the County, regardless of whether the organizations have separate elected governing boards, governing boards appointed by higher levels of government, or jointly appointed boards. In evaluating the County as a reporting entity, management has considered all potential component units in accordance with Section 2100: Defining the Financial Reporting Entity of the GASB Codification.

A discretely presented component unit is reported in a separate column in the financial statements to emphasize it is legally separate from the government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with that of the primary government.

## **Discretely Presented Component Units**

The government-wide financial statements include the financial data of the County's component units, Sunny Hills Units 12-15 Dependent District and the Highway 79 Corridor Authority. They are included because if excluded, the County's financial statements would be misleading. The

## Discretely Presented Component Units (continued)

component units are discretely presented in the government-wide financial statements to emphasize their legal separation from the County.

## Sunny Hills Units 12-15 Dependent District

The Sunny Hills Units 12-15 Dependent District (Sunny Hills) was created on August 14, 2006 through Ordinance No. 2006-12 enacted by the County, pursuant to Chapter 189, Florida Statutes. The Sunny Hills Units 12-15 Dependent District is a discretely presented component unit that was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District. The District is required to have their budget approved by the County on an annual basis. The District is governed by a separate three-member Board of Supervisors. Initially the County appointed the Board, but the district now elects their own board. Sunny Hills is presented as a discretely presented component unit because of its nature and significance with the County in accordance with GASB 39. Financial information for the District is presented in this annual financial report as a Component Unit. Complete financial statements for the Sunny Hills Units 12-15 Dependent District may be obtained at the District's finance office by writing to 12051 Corporate Blvd., Orlando, Florida, 32817.

## Highway 79 Corridor Authority

The Highway 79 Corridor Authority (the Authority) was formed as a legal entity and public body pursuant to Chapters 125, 166 and 163, Florida Statutes and an Interlocal Agreement dated June 11, 2018 (the Interlocal Agreement) by and between the City of Bonifay, Holmes County, and Washington County (the Authority Members), each a local government located in the State of Florida. The purpose of the Authority is to foster and assist economic development and acquire, plan for, develop, fund, construct, own, maintain, manage, improve, operate, and at its option, dispose of the Authority facilities and projects within the Corridor Area. The Authority is included as a discretely presented component unit of the County due to the financial benefit the County provides to the Authority.

#### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

#### Government-Wide and Fund Financial Statements (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the County.

Fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

### Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the County has two discretely presented component units, Sunny Hills Units 12-15 Dependent District and the Highway 79 Corridor Authority. The component units are major component units and are reported in separate columns in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

#### Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental, each displayed in a separate column. All remaining governmental are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

**General Fund** - The general fund is the County's primary operating fund. It accounts for all resources traditionally associated with governments except those required to be accounted for in another fund.

#### Fund Financial Statements (continued)

**Transportation Trust Fund** - This fund accounts for the Board's local option and county gas tax revenue, motor fuel taxes and other shared revenue earmarked for general and administrative operations costs of the Public Works Department.

**Hurricane Michael** - This fund accounts for the expenses related reimbursements due to the destruction caused by Hurricane Michael.

American Rescue Act - This fund accounts for revenues and expenses related to this economic stimulus legislation.

The County reports the following fiduciary fund type:

*Custodial Funds* account for assets held by the County in a trustee capacity or as an agent for individuals, other governmental units and/or funds. Custodial funds are custodial in nature and do not involve measurement of results of operations. These funds are accounted for on an accrual basis of accounting.

### **Budgetary Information**

## Budgetary Basis of Accounting

Annual budgets for governmental fund types that are legally required to prepare an annual budget are adopted on a basis consistent with GAAP except for the general fund. Generally the major differences in the general fund are recognition of unanticipated activity; capital assets and related debt activity, grant and intergovernmental revenues and related expenditures. The financial statements present budget information for only the major funds and all appropriations lapse at yearend.

*Board of County Commissioners* – Pursuant to Chapter 129, Florida Statues, General Budget Policies, the following procedures are followed by the Board in establishing, adopting and maintaining the operating budget:

Prior to August 15, the Clerk of the Circuit Court, as ex-officio Clerk of the Board, submits to the Board a tentative budget for the fiscal year commencing the following October 1.

Taxpayers are informed of the proposed budget and tentative millage rates through legal advertising. Public hearings are held to elicit taxpayer comments.

Prior to September 30, the budget is legally adopted through passage of a resolution for the fiscal year beginning October 1.

## Budgetary Information (continued)

## Budgetary Basis of Accounting (continued)

The Board, at any time within a fiscal year, may amend a budget for that year as follows:

Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by motion recorded in the minutes, provided that the total of the appropriations of the fund are not changed. The Board, however, has established procedures by which the designated budget officer and heads of departments may authorize certain interdepartmental budget amendments, provided that the total appropriations of the department are not changed.

Florida Statute 129, Section 7, as amended in 1978, provides that only expenditures in excess of total fund budgets are unlawful. However, because the Board acts on all budget changes between departments, the lower of fund or department becomes the level of control.

Appropriations from the reserve for contingencies may be made to increase the appropriation for any particular expenditure in the same fund, or to create an appropriation in the fund for any lawful purpose, but no expenditures shall be charged directly to the reserve for contingencies.

A receipt of a nature or from a source not anticipated in the budget and received for a particular purpose, including but not limited to grants, donations, gifts, or reimbursements for damages, may, by resolution of the Board recorded in its minutes, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided for in the budget. Such receipts and appropriations shall be added to the budget of the proper fund.

Supplemental appropriations funded from sources not described above require public hearings and action by the Board in the same manner as adopting the original budget. During the year ended September 30, 2023, there were general fund, transportation trust fund supplemental budget appropriations of \$955,933 or 5.30% and \$1,722,620 or 34.55%, respectively.

The following items represent the major additional appropriations:

General Fund Various operating costs	\$ 955,933
Transportation Trust Fund Various operating costs Capital Outlay	\$ 242,571 1,480,049

## **Budgetary Information (continued)**

## Budgetary Basis of Accounting (continued)

*Clerk of the Court* – Florida Statutes Chapter 218.35 and 218.36 governs the preparation, adoption and administration of the Clerk of the Circuit Court's (the Clerk) annual budget. The Clerk establishes an annual balanced budget which clearly reflects the revenues available to the office and the functions for which money is to be expended. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board. The budget is prepared on a basis consistent with GAAP.

The Clerk, functioning in the capacity as Clerk of the Circuit and County Courts and as Clerk of the Board of County Commissioners, prepares a budget in two parts:

The budget relating to the state court system (Circuit and County) is filed with the Florida Clerk of Courts Operations Corporation; and

The budget approved by the Board for funds necessary to perform those duties of Clerk of the Board of County Commissioners, County Auditor, and Custodian or Treasurer of all county funds and other county-related duties.

The fees generated by the various non-court departments of the Clerk of Circuit Court are used to pay operating expenditures of that department. All excess fees are remitted to the Board at yearend.

Sheriff – Florida Statutes Chapter 30.49 and 129.03 govern the preparation, adoption and administration of the Sheriff's annual budget. By June 1 each year, the Sheriff shall certify to the Board a proposed budget of expenditures for carrying out the duties of his office for the ensuing fiscal year. No later than August 1 of each year, the Board shall approve the Sheriff's budget.

*Tax Collector and Property Appraiser* – Florida Statutes Chapter 195.087 govern the preparation, adoption and administration of the budgets of the Tax Collector and Property Appraiser. On or before a legally designated date each year, the Tax Collector and the Property Appraiser shall submit to the Florida Department of Revenue a budget for the ensuing fiscal year. A copy of such budget shall be furnished at the same time to the Board. Final approval of the budgets is given by the Florida Department of Revenue.

*Supervisor of Elections* – The Supervisor of Elections works in cooperation with the Board to establish an annual budget for the office. Florida Statutes Chapter 129.201 and 129.03 govern the preparation, adoption and administration of the annual budget. The Supervisor of Elections' budget is funded from the Board's General Fund.

## **Budgetary Information (continued)**

## Excess of expenditures over appropriations

For the year ended September 30, 2023, expenditures exceeded appropriations within the physical environment, human services and capital outlay functions of the General Fund by \$5,033, \$51 and \$252,394, respectively. The expenditures exceeded appropriations within the capital outlay function of the Transportation Trust Fund by \$19,148. The expenditures exceeded appropriations within the capital outlay function so the Hurricane Michael Fund by \$24,036,756. For each of these funds, the excess expenditures were funded by unanticipated revenues.

## Employee Benefits

## **Compensated Absences**

The County maintains a policy that permits employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation from County service if certain criteria are met. These benefits, plus their related tax and retirement costs are classified as compensated absences. Employees may be paid for unused vacation hours accrued up to a maximum amount. Payment of unused sick leave, upon termination, is also provided for up to varying amounts.

The long-term portion of compensated absences are accrued and reported in the government-wide financial statements. No expenditure is reported in the government fund level statements for these amounts until payment is made. Compensated absences liability is based on current rates of pay. This is accounted for pursuant to GASB Statement No. 16, *Accounting for Compensated Absences*.

## Pensions

The County participates in The Florida Retirement System (the "System"). The System's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Expenses are recognized when the corresponding liability is incurred regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the GASB. Under these requirements, the Plan is considered a component unit of the State of Florida and is included in the State's Annual Comprehensive Financial Report.

## Employee Benefits (continued)

## Other Postemployment Benefits ("OPEB")

In addition to the pension benefit noted above, the County offers certain OPEB. For purposes of measuring total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the economic resources measurement focus and full accrual basis of accounting are utilized. Benefit payments are recognized when due and payable in accordance with the benefit terms.

## Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

## Cash and Cash Equivalents

Cash and cash equivalents represent cash on hand as well as demand deposits and certificates of deposit with original maturities of three months or less. This policy applies to the primary government and its component unit.

## Investments

The County's investments are limited to investments authorized by State Statutes. Historically, the County has only invested in Florida Prime Certificates and money market accounts. As governed by Florida Statute 218.415, the County is authorized to invest available surplus funds in the following:

- 1. The Local Government Surplus Funds Trust Fund (the SBA) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in Florida Statute 163.01.
- 2. Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- 3. Interest-bearing time deposits or savings accounts in state qualified public depositories, as defined in Florida Statute 280.02.
- 4. Direct obligations of the U.S. Treasury.

## Receivables

The County records accounts receivable for various taxes, fees and services. For emergency medical service fees, uncollectible allowance has been recorded based on contractual and historical experience. All other receivables are considered collectible and, as such, no allowance for uncollectibles is reported.

## Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (continued)

## Interfund Activities and Transactions

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

## Inventories and Prepaid Items

The County uses the consumption method to account for inventory with cost determined by the firstin, first-out method. Inventory is comprised primarily by equipment parts and bulk fuel reported in the Transportation Trust Fund. Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in the government-wide statements. At the fund level, expenditures are recognized when the available finance resource is expended.

## Capital Assets

Capital assets, which include property, plant, equipment, right-to-use assets, and infrastructure assets (e.g. roads, bridges, streets and sidewalks, and similar items) are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Additions to capital assets are recorded at cost at the time of purchase. Donated capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets inventory is maintained as required by Florida Statute 274 and Florida Administrative Code Sections 69(i)-73.002 and 69(i)-73.006.

Depreciation has been provided using the straight-line method. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Capital asset classes	Lives
Buildings Improvements other than buildings Infrastructure Machinery and equipment	25 - 40 15 - 40 30 5 - 15

## Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (continued)

## Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The County has two (2) items that qualify for reporting as deferred outflows of resources, the deferred outflows related to other postemployment benefits (OPEB) and the deferred outflows related to pensions, all reported in the government-wide statement of net position.

The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria. The deferred outflows related to pensions and OPEB will be recognized as either pension or OPEB expense or a reduction in the pension or OPEB liability in future reporting years.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has four (4) items that qualify for reporting as deferred inflows of resources. The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria. The deferred inflows related to pensions and OPEB will be recognized as a reduction to pension or OPEB expense in future reporting years. The deferred inflows related to a building lease in which the County is the lessor. Revenue will be recognized over the life of the lease. The deferred inflows related to settlement allocations relate to opioid settlements with the state of Florida that have been allocated to the County. This funding is maintained by a non-profit agency with authority over expenditure of the settlement over an eighteen year period.

## **Unearned Revenues**

Unearned revenues represents amounts received, but not yet earned. Balances at September 30, 2023 represented unearned funding related to the American Rescue Plan Act, State Housing Initiatives Partnership Program and Disaster Relief grants.

## Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (continued)

## Unavailable Revenues

Unavailable revenues are a liability that represents amounts not expected to be received within the period of availability. Balances at September 30, 2023 represented unavailable revenue due from the State of Florida for settlements with pharmaceutical companies.

## Long-term Liabilities

In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the Statement of Net Position. In fund financial statements, the face amount of debt issued is reported as other financing sources.

#### Lease Obligations

GASB No. 87, *Leases*, was adopted October 1, 2021. Under this new guidance, all contracts allowing for the County to use another entity's asset for a period greater than 12 months must be recorded as both a right-of-use (ROU) asset and a lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible leased asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment. Any contract not meeting the 12-month period requirement is recognized as rental expense.

The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of lease liability are composed of fixed payments and term options that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its 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.

# Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (continued)

## Lease Receivable

The County records revenues from lease in accordance with GASB No. 87, *Leases*. The lease receivable is initially measured at the present value of the lease payments expected to be received during the lease term. The deferred lease inflow of resources is measured as the sum of the initial measurement of the lease receivable net of lease payments received. Lease receipts result in a reduction of the lease receivable and recognition of inflows of revenues. At September 30, 2023, the County's total lease receivable of \$93,151 was for the lease of a building.

## Categories and Classification of Net Position and Fund Equity

*Net position flow assumption* and *fund balance flow assumption* - The authority to establish, modify or rescind a committed or assigned fund balance rests with the Board and these actions are accomplished through an adopted resolution. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the County's policy to use committed funds first, then assigned, and finally unassigned.

*Net position* on the government-wide financial statements is required to be classified for accounting and reporting purposes into the following net position categories:

*Net investment in capital assets* – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. Any significant unspent proceeds at year-end related to capital assets are reported as restricted funds.

*Restricted* – Constraints imposed on net position by external creditors, grantors, contributors, laws or regulations of other governments, or law through constitutional provision or enabling legislation.

*Unrestricted* – Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of the Board.

*Fund Equity is* reported in the fund financial statements as either nonspendable or spendable in the following classifications:

*Nonspendable* – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

# Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (continued)

# Categories and Classification of Net Position and Fund Equity (continued)

*Restricted* – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed* – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Board. The Board is the highest level of decision-making authority for the County that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. The governing council (Board) has by resolution authorized the finance director to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

*Unassigned* – Unassigned fund balance is the residual classification.

# **Revenues and Expenditures/Expenses**

# Property Taxes

Property taxes in the County are levied by the Board. The millage levies are determined on the basis of estimates of revenue needs and the total taxable valuations within the jurisdiction of the Board. No aggregate ad valorem tax millage in excess of 10 mills on the dollar is levied against property of the County as specified in Florida Statue 200.071.

Each year, the total taxable valuation is established by the Property Appraiser and the list of property assessments is submitted to the State Department of Revenue for approval. Taxes, assessed as of January 1 of each year, are due and payable on November 1 of each year or as soon thereafter as the assessment roll is opened for collection. Pursuant to Florida Law, all owners of property have the responsibility of ascertaining the amount due and paying it before April 1 of the year following the year in which the tax was assessed.

# Revenues and Expenditures/Expenses (continued)

Property Taxes (continued)

2023 Property tax calendar:

Lien date	- January 1, 2022
Levy date	- November 1, 2022
Tax bills mailed	- November 1, 2022
Collection dates	- November 30, 2022: 4% discount
	- Through January 2, 2023: 3% discount
	- Through January 31, 2023: 2% discount
	- Through February 28, 2023: 1% discount
Delinquent date	- April 1, 2023
Tax sale - 2022 delinqu	uent property taxes - on or before June 1, 2023

## Management Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from estimates used.

## Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued June 28, 2024. See Note 8 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

## **Recently Issued Accounting Pronouncements**

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB 91). The primary objectives of GASB 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB 91 achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of GASB 91 are effective for reporting periods beginning after December 15, 2021. The implementation of GASB 91 did not result in any significant change in the Board's financial statements.

## Recently Issued Accounting Pronouncements (continued)

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (GASB 94). The objective of GASB 94 is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

GASB 94 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of GASB 94 are effective for fiscal years beginning after June 15, 2022. The implementation of GASB 94 did not result in any significant change in the Board's financial statements.

In May 2020, the GASB issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements (GASB 96). This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-touse subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The requirements of GASB 96 are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which GASB 96 is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement. The implementation of GASB 96 did not result in any significant change in the Board's financial statements.

## Recently Issued Accounting Pronouncements (continued)

In April 2022, GASB issued Statement No. 99, *Omnibus 2022* (GASB 99). This GASB 99 provides guidance on the following:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships* and Availability Payment Arrangements, related to the determination of the PPP term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.
- Clarification of provisions in GASB 96, related to the SBITA term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
- Extension of the period during which the LIBOR is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).
- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.
- Clarification of provisions in Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements.
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting* of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.
- Terminology used in Statement No. 53 to refer to resource flows statements.

The requirements of GASB 99 are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement No. 34, as amended, and terminology updates related to Statement No. 53 and Statement No. 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The implementation of GASB 99 did not result in any significant change in the Board's financial statements.

# Recently Issued Accounting Pronouncements (continued)

The GASB has issued statements that will become effective in future years. These statements are as follows:

In June 2022, the GASB issued GASB Statement No. 100, Accounting Changes and Error Corrections. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

## Recently Issued Accounting Pronouncements (continued)

GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

The Board is evaluating the requirements of the above statements and the impact on reporting.

## Note 2: DETAILED NOTES ON ALL FUNDS

## **Deposits and Investments**

## Custodial Credit Risk

The County maintains its deposits only with qualified public depositories as defined in Chapter 280, Florida Statues. The provisions of this statute generally require public funds to be deposited in a bank or savings association designated by the State Chief Financial Officer as a "Qualified Public Depository". All qualified public depositories must maintain deposit insurance. They also must place with or in the name of the Chief Financial Officer of the State of Florida, collateral in the amount of the greater of the average daily balance of public deposits multiplied by the average monthly balance of public deposits or 125 percent of the average daily balance of public deposits greater than capital. Collateral requirements may be increased according to statute if specified conditions exist. Eligible collateral includes federal, federally-guaranteed, state and local government obligations and corporate bonds. In the event of default by a qualified public depository excess losses over insurance and collateral will be recovered through assessments to all qualified public deposits are considered fully insured.

# Receivables

Accounts receivables includes \$280,159 net receivables for Emergency Medical Services ("EMS"). This represents total receivables of \$1,658,837 net of allowance for doubtful accounts and contractual adjustments of \$1,378,678. This allowance represents an uncollected billing ratio based on past history of collections and aged accounts receivable listings. The County also had a receivable of \$1,371,430 from litigation settlements with pharmaceutical companies. Remaining receivables totaling \$471,969 consist of franchise fees due from utility companies.

## Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

## Receivables (continued)

*Due from Other Governments* is comprised of various grant reimbursements, revenue sharing and taxes collected for the County by the State of Florida of \$6,551,861.

*Note receivable* of \$2,107,510 represents the balance outstanding of a loan to Northwest Florida Healthcare, Inc. (the "Hospital") of \$2,903,878 in December 2003. The loan agreement provides a non-interest bearing note with no payments due the first 10 years, and equal installments of \$95,796 thereafter for 30 years. An imputed interest rate for the note receivable was considered indeterminable by management.

*Leases receivable* are reported in accordance with GASB Statement No. 87 *Leases*, as detailed in Note 1. The lease receivable of \$93,151 represents the outstanding balance of a 60 month lease of a building to the Florida Department of Corrections beginning August 1, 2020 and expiring July 1, 2025. During fiscal year 2023, the County recognized leased principal of \$46,124 and \$7,981 of lease interest revenue.

## Interfund Balances

Due to/from other funds consists of the following:

Receivable Fund	Payable Fund	
General fund	Hurricane Michael	\$ 9,823,817
	Other Governmental Funds	2,989,422
Transportation Trust Fund	General Fund	12,633
Other Governmental Funds	General Fund	88,681
	Other Governmental Funds	8,175
Total		\$ 12,922,728

All amounts due will be paid within one year of the financial statement date.

## Interfund Transfers

Transfers to/from other funds consist of the following:

Transfers to General Fund from: (2) Nonmajor Governmental funds (1) American Rescue Act	\$ 185,648 230,000	\$ 415,648
Transfers to Nonmajor Governmental Funds from: (2) General fund		2,910,789
Total interfund transfers		\$ 3,326,437

(1) reimburse for eligible expenditures

(2) annual debt service requirements and budgeted appropriations

# Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

# Capital Assets

Capital assets activity for the fiscal year is as follows:

		October 1, 2022	Increases		Decreases	September 30, 2023
Governmental Activities						
Capital assets, not						
being depreciated						
Land	\$	5,587,048	\$ 553,570	\$	-	\$ 6,140,618
Construction-in-progress		1,578,933	1,811,145		-	3,390,078
Total capital assets, not						
being depreciated		7,165,981	2,364,715		-	9,530,696
Capital assets, being depreciated						
Buildings		30,419,879	-		-	30,419,879
Improvements other than						
buildings		40,638,359	40,562,084		-	81,200,443
Infrastructure		1,988,560	-		-	1,988,560
Machinery and equipment		25,442,635	2,562,610		2,168,567	25,836,678
Total capital assets,						
being depreciated		98,489,433	43,124,694		2,168,567	139,445,560
Less total accumulated depreciation		34,576,570	4,553,143		2,043,900	37,085,813
		34,370,370	4,555,145		2,043,900	37,083,813
Total capital assets,						
being depreciated, net		63,912,863	38,571,551		124,667	102,359,747
Governmental activities						
capital assets, net	\$	71 078 844	\$ 40,936,266	\$	124,667	\$ 111,890,443
	Ļ	, 1,0,0,044	÷ ∓0,550,200	Ý	127,007	÷ ±±±,050,++3

# Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

# Capital Assets (continued)

Depreciation and amortization expense was charged to the functions of government as follows:

For the year ended September 30,	2023
Governmental activities	
General government	\$ 349,937
Public safety	1,345,741
Physical environment	10,957
Transportation	2,549,133
Economic environment	225,772
Human services	25,556
Culture and recreation	46,047
Total depreciation expense - governmental activities	\$ 4,553,143

Sunny Hills' and Highway 79 Corridor Authority's capital assets are as follows:

	C	October 1,				Sep	tember 30,
Sunny Hills		2022		Increases	Decreases		2023
Capital assets, not being							
depreciated Land	Ś	1,770,313	Ś	- \$	-	Ś	1,770,313

# Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

# Capital Assets (continued)

Higway 79 Corridor Authority	(	October 1, 2022	Increases	Decreases	Sej	otember 30, 2023
Capital assets, not being depreciated		LULL	mercuses	Decreases		2023
Construction in progress	\$	29,258	\$ -	-	\$	29,258
Capital assets, being depreciated						
Infrastructure		2,216,021	-	-		2,216,021
Equipment		384,364	-	-		384,364
Total capital assets,						
being depreciated		2,600,385	-	-		2,600,385
Less total accumulated depreciation		22,483	89,930	-		112,413
Total capital assets, being depreciated, net		2,577,902	(89,930)			2,487,972
Governmental activities capital assets, net	\$	2,607,160	\$ (89,930) \$	-	\$	2,517,230

## **Unearned Revenue**

Revenue received under contracts with governmental agencies which are unearned until expended are as follows:

Law Enforcement grant	\$ 119,528
American Rescue Plan	3,003,533
SHIP	1,246,488
FEMA grant	<u>2,055,903</u>
Total	\$ <u>6,425,452</u>

## Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

## Long-Term Debt and Liabilities

The following is a summary of changes in long-term debt for the year ended September 30, 2023:

с , c	0			•	•
	Balance 10/01/22	Additions	Reductions	Balance 09/30/23	Due Within One Year
• • • • • • • • •	10/01/22	 Auditions	Reductions	09/30/23	Une real
Governmental activities					
Notes, leases and other payables					
Interlocal agreement payable	\$ 144,000	\$ -	\$ 5,000	\$ 139,000	\$ 5,000
Line of credit	-	4,000,000	-	4,000,000	-
Notes payable	3,338,621	-	439,500	2,899,121	513,100
Leases payable	796,062	-	145,413	650,649	209,111
Total notes, leases and other payables	4,278,683	4,000,000	589,913	7,688,770	727,211
Other liabilities					
Total OPEB liability	404,070	4,957	-	409,027	-
Net pension liability	16,318,975	4,202,131	-	20,521,106	-
Compensated absences	780,491	896,364	801,339	875,516	87,552
Total other liabilities	17 502 526		001 220	21 205 640	07 550
	17,503,536	5,103,452	801,339	21,805,649	87,552
Total governmental activities	\$ 21,782,219	\$ 9,103,452	\$ 1,391,252	\$ 29,494,419	\$ 814,763

Governmental activities, claims, obligations and compensated absences are generally liquidated by the general fund.

The County also has a Revolving Credit Bond of up to \$6 million with First Federal Bank beginning March 23, 2023. The interest rate was 4.75% and it matures March 23, 2028. There was a \$4,000,000 balance due at September 30, 2023.

## Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

## Long-Term Debt and Liabilities (continued)

Debt service requirements on long-term debt at September 30, 2023 are as follows:

				Governmen	tal Act	ivities		
Fiscal Year Ending	In	terlocal Agre	eme	nt Payable		Notes I	Paya	ble
September 30,	F	Principal		Interest		Principal		Interest
2024	\$	5,000	\$	6,429	\$	513,100	\$	91,139
2025		5 <i>,</i> 500		6,198		529,600		74,492
2026		5,500		5,943		547,100		57,354
2027		6,000		5,689		564,400		39,681
2028		6,000		5,411		410,198		21,469
2029-2033		34,000		22,594		334,723		17,198
2034-2038		39,500		14,269		-		
2039-2042		37,500		4,417		-		
Total	\$	139,000	\$	70,950	\$	2,899,121	\$	301,333

## **Interlocal Agreement Payable**

\$200,000, City of Chipley, Library Building. Payable in annual<br/>installments beginning 2004 including interest at 4.625%. The<br/>County agreed to pay half of the City of Chipley, Florida, Capital<br/>Improvement Revenue Bond, Series 2003 annual principal and<br/>interest charges until 2042.\$ 139,000

## **Notes Payable**

\$934,000 Non-Ad Valorem Tax Revenue Promissor Note, Series 2016, Charter Bank,<br/>payable in annual installments ranging from \$39,000 to \$92,000, interest at 2.75%<br/>fixed, due 2032. The note is secured by pledged sales tax and non-ad valorem tax<br/>revenues.\$ 653,000\$5,500,000, Sales Tax promissory note Series 2015, SunTrust Bank, payable in<br/>monthly installments ranging from \$28,200 to \$43,000, interest at 3.28%, due 2028.<br/>The note is secured by pledged sales tax and non-ad valorem tax revenues.\$ 2,246,121Total notes payable\$ 2,899,121

Debt service requirements for the year-ended September 30, 2023 for the Series 2015 and 2016 notes payable was \$522,216 and \$73,976, respectively. Pledged revenues were \$901,724.

# Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

## Leases - Lessee

The County has entered into multiple lease agreements as lessee for equipment and buildings that qualify as leases for accounting purposes.

The present value of the future minimum lease payments is as follows:

		Gove	ernmental Activities	
Fiscal Year Ending			Leases Payable	
September 30,	 Principal		Interest	Total
2024	\$ 209,111	\$	26,265	\$ 235,376
2025	90,599		19,963	110,562
2026	350,939		2,884	353,823
Total	\$ 650,649	\$	49,112	\$ 699,761

## Leases Payable

\$756,000, Caterpillar Financial Services Corp., payable in monthly installments of \$9,214 and a final lease payment of \$344,610, interest at 4.9861%, due 2025. Collateralized by equipment with a cost of \$756,000, accumulated depreciation of \$216,000 and net book value of \$540,000.	\$ 527,742
\$197,500, Caterpillar Financial Services Corp., payable in monthly installments of \$3,578 and a final lease payment of \$93,240, interest at 5.44%, due 2023. Collateralized by equipment with a cost of \$197,500, accumulated depreciation of \$56,429 and net book value of \$141,071.	95,964
\$125,000, BB&T Governmental Finance, payable in monthly installments of \$27,992, interest at 3.89%, due 2024. Collateralized by equipment with a cost of \$125,000, accumulated depreciation of \$100,000 and net book value of \$25,000.	26,943
Total leases payable	\$ 650,649

# Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

# Net Position

*Restricted net position* reported \$4,920,062 of net position restricted by enabling legislation.

# Fund Balances

Fund balances are comprised of the following:

Nonspendable	
General fund	
Long-term note receivable	\$ 2,107,510
Transportation trust fund	
Inventory	129,283
Total nonspendable fund balance	\$ 2,236,793
Restricted	
General fund	
Landfill closure \$ 58,594	
Education and crime prevention 223,022	
	\$ 281,616
Transportation trust	
Transportation	3,014,625
Nonmajor governmental funds	
Court innovations 569,207	
Emergency communications 145,599	
Law enforcement 426,910	
Local housing assistance 58,052	
Probation 134,443	
Emergency management 32,795	
Road improvements 1,317,194	
Economic development 64,285	
Modernization of public records 108,709	
Crime prevention 121,930	
Court-related technology 84,228	
	3,063,352
Total restricted fund balance	\$ 6,359,593

## Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

## Fund Balances (continued)

Committed	
Nonmajor governmental funds	
Fire operations	\$ 595 <i>,</i> 463
Municipal service business unit	2,633
Mosquito control	101,204
Boater improvement	8,674
Building department	328,970
Police education	22,568
Total committed fund balance	\$ 1,059,512
Assigned	
Nonmajor governmental funds	
Emergency management	\$ 408,068
Choose Life Tags	1,867
Total assigned fund balance	\$ 409,935

#### **Note 3: RETIREMENT PLANS**

## Florida Retirement System Pension Plan

Substantially all full-time County employees are participants in the System, a defined benefit, cost sharing, multiple employer public retirement system, which is controlled by the State Legislature and administered by the State of Florida, Department of Administration, Division of Retirement. The plan covers full time employees of various governmental units within the State of Florida.

The System's funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due (see rates below). Level percentages of payroll employer contribution rates established by state law are determined using the entry-age actuarial funding method.

The System provides for those employees hired prior to July 1, 2011 vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. For Special Risk Class members, normal retirement is age 55 with at least six years of Special Risk service, or twenty-five years of Special Risk service, regardless of age, or age 52 with 25 years of Special Risk service and up to four years of active duty wartime service. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For those employees hired on or after July 1, 2011, the

## Florida Retirement System Pension Plan (continued)

System provides for vesting of benefits after eight years of credible service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service or thirty-three years regardless of age. For Special Risk Class members, normal retirement is age 60 with at least eight years of Special Risk service, or thirty years of Special Risk service, regardless of age. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

Participating employer contributions are based upon state-wide rates established by the State of Florida. These rates are applied to employee salaries as follows: regular employees-13.57% DROP Program-21.13%, special risk employees-32.67%, senior management-34.52% and elected officials-58.68%. The rate applied to employee salaries for employee contributions was 3.00% for all classifications with the exception of DROP program participants who do not make contributions.

The County's contributions to the System Pension Plan ("Pension Plan") for the years ended September 30, 2023 and 2022 were \$1,946,425 and \$1,558,827 respectively, and equal to the actuarially determined contributions for each year. The County's contributions to the Retiree Health Insurance Subsidy Program ("HIS") for the years ended September 30, 2023 and 2022 were \$182,199 and \$155,771 respectively, and equal to the actuarially determined contributions for each year. These contributions were paid by their due date. Total payroll for the County employees covered by the System pension plan and HIS was \$11,288,691 the year ended September 30, 2023. The County's total payroll was \$11,485,189 for the same period.

The County has no responsibility to the System other than to make the periodic payments required by State Statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing Florida Division of Retirement, P O Box 9000, Tallahassee, FL 32315-9000.

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 \$16,122,338 for its proportionate share of the collective net pension liability for the Pension Plan. 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 proportion of the collective net pension liability was based on the employers' shares of contributions to the Pension Plan relative to the total employer contributions of all participating employers. At June 30, 2023, the System's proportion of the Pension Plan was 0.040461%, which was an increase of 0.003930% from its proportion measured as of June 30, 2022.

## Florida Retirement System Pension Plan (continued)

For the year ended September 30, 2023, the County recognized pension expense of \$1,390,669. At September 30, 2023, the County reported deferred outflows and deferred inflows of resources related to the Pension Plan from the following sources:

	Deferred Outflows		Deferred Inflows	
	of	Resources	of	Resources
Differences between expected and				
actual experience	\$	1,513,748	\$	-
Changes of assumptions		1,050,988		-
Net difference between projected and actual				
investment earnings on pension plan investments		673,313		-
Changes in proportion and difference between				
employer contributions and proportionate				
share of contributions		1,222,036		842,412
County contributions subsequent to				
the measurement date		531,507		-
Total	\$	4,991,592	\$	842,412

\$531,507 of deferred outflows resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024.

The balance of deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

	Pension
For Year Ended September 30,	Expense, Net
2024	\$ 690,203
2025	690,203
2026	690,203
2027	690,203
2028	690,201
Thereafter	166,660
Total	\$ 3,617,673

## Florida Retirement System Pension Plan (continued)

Actuarial assumptions. The total pension liability for the Pension Plan was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Investment rate of return*	6.70%
Projected salary increases	3.25%
* Net of pension plan investment expense	

The actuarial assumptions used in the actuarial valuation as of June 30, 2023 for the Pension Plan were based on the results of an investigation of the economic and demographic experience for the System based upon participant data for the period July 1, 2013 to June 30, 2018.

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The long-term expected rate of return for the Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

		Annual	Compound Annual	
	Target	Arithmetic	(Geometric)	Standard
Asset Class	Allocation	Return	Return	Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global equity	54.0%	8.7%	4.1%	18.1%
Real Estate (property)	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Total	100.00%			

## Florida Retirement System Pension Plan (continued)

*Discount rate.* The discount rate used to measure the total pension liability for the Pension Plan was 6.70%. The Plan's fiduciary net position was projected to be available to make all 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.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following table presents the County's proportionate share of the net pension liability calculated using the discount rate of 6.70% for the Pension Plan, 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 1-percentage point lower (5.70%) or 1-percentage point higher (7.70%) than the current rate:

	FRS N	FRS Net Pension Liability			
		Current			
	1% Decrease	Discount Rate	1% Increase		
	(5.70%)	(6.70%)	(7.70%)		
Governmental Employer's proportionate					
share of the net pension liability	\$ 27,540,236 \$	5 16,122,338	\$ 6,569,900		

*Pension plan fiduciary net position*. Detailed information about the pension plan's fiduciary net position is available in the separately issued System Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. The supporting actuarial information is included in the GASB Statement No. 68 *Report for the System* prepared as of June 30, 2023. The auditor's report dated January 12, 2024 on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, total pension expense for the sum of all participating entities as of June 30, 2023 along with supporting schedules is also available. The additional financial and actuarial information is available from the following website:

http://www.dms.myflorida.com/workforce\_operations/retirement/publications.

## Health Insurance Subsidy Program

Chapter 112, Florida Statutes, established the HIS, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance. Contributions to the HIS plan are included in contributions to the Pension Plan noted above. The Pension Plan contributes 1.66% of each covered employee's salary to the HIS Plan. The remainder is contributed to the Pension Plan, with the exception for 0.04% that is contributed to administrative expenses.

## Health Insurance Subsidy Program (continued)

Eligible retirees and beneficiaries receive 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 payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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 \$4,398,768 for its proportionate share of the collective net pension liability. For the Health Insurance Subsidy program ("HIS Plan"), 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, 2022. The County's proportion of the collective net pension liability was based on the employers' shares of contributions to the HIS Plan relative to the total employer contributions of all participating employers. At June 30, 2023, the System's proportion of the HIS Plan was 0.027698%, which was an increase of 0.001954% from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the County recognized HIS Plan pension expense of \$1,518,469. At September 30, 2023, the County reported deferred outflows and deferred inflows of resources related to the HIS Plan from the following sources:

	0	eferred utflows Resources	Deferred Inflows Resources
Differences between expected and			
actual experience	\$	64,395	\$ 10,324
Changes of assumptions		115,641	381,169
Net difference between projected and actual investment earnings on pension plan investments Changes in proportion and difference between employer contributions and proportionate		2,271	-
share of contributions		344,471	106,705
County contributions subsequent to			
the measurement date		57,439	-
Total	\$	584,217	\$ 498,198

## Health Insurance Subsidy Program (continued)

\$57,439 of deferred outflows resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Amounts reported as deferred outflows and deferred inflows of resources related to the HIS Plan will be recognized in the pension's expense as follows:

		Pension
For Year Ended September 30,	Ex	pense, Net
2024	\$	5,532
2025		5,532
2026		5,532
2027		5 <i>,</i> 531
2028		4,964
Thereafter		1,489
Total	\$	28,580

The total pension liability for the HIS Plan was determined by an actuarial valuation as of July 1, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Investment rate of return*	3.65%
Projected salary increases	3.25%

\* Net of pension plan investment expense

The actuarial assumptions used in the actuarial valuation as of July 1, 2022 for the HIS Plan were based on the results of an investigation of the economic and demographic experience for the Florida Retirement System ("FRS") based upon participant data for the period July 1, 2013 to June 30, 2018.

Mortality rates were based on the Generational PUB-2010 with Projected Scale MP-2018.

The long-term expected rate of return for the HIS Plan investments was based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

*Discount rate*. The discount rate used to measure the total pension liability for the HIS Plan was 3.65%. 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

## Health Insurance Subsidy Program (continued)

depletion rate 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 pension liability to changes in the discount rate. The following table presents the County's proportionate share of the net pension liability calculated using the discount rate of 3.65% for the HIS Plan 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 1-percentage point lower (2.65%) or 1-percentage point higher (4.65%) than the current rate:

	HIS Net Pension Liability							
	Current							
	1% Decrease Discount Rate 1% Increas							
	(2.65%)	(3.65%) (4.65%)						
Governmental Employer's proportionate								
share of the net pension liability	\$ 5,018,308 \$	5       4,398,768   \$  3,885,211						

*Pension plan fiduciary net position*. Detailed information about the pension plan's fiduciary net position is available in the separately issued System Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. The supporting actuarial information is included in the GASB Statement No. 68 *Report for the System* prepared as of June 30, 2023. The auditor's report dated January 12, 2024 on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, total pension expense for the sum of all participating entities as of June 30, 2023 along with supporting schedules is also available. The additional financial and actuarial information is available from the following website:

http://www.dms.myflorida.com/workforce\_operations/retirement/publications.

# Note 4: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

## Plan Description

The County administers a single-employer defined benefit healthcare plan (the "Plan"). In accordance with Section 112.0801 of the Florida Statutes, because Washington County provides a medical plan to active employees of the County and their eligible dependents, the County is also required to provide retirees with the opportunity to participate in this Plan. The Plan provides healthcare benefits including medical coverage and life insurance coverage to both active and eligible retired employees. The Plan does not issue a publicly available financial report.

# Note 4: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

# Plan Description (continued)

Eligibility for participation in the Plan is limited to full-time employees of the Board and the Constitutional officers. For regular, senior management service and elected officials, participants are eligible for normal retirement upon attaining the earlier of 1) six years of service and age 62 or 2) 30 years of service regardless of age. For Special Risk, participants are eligible for normal retirement upon attaining the earlier and age 55 or 2) 25 total years of service consisting both of special risk service and up to four years of military service and age 52 or 3) 25 total years of special risk service, regardless of age or 4) 30 years of any credible service, regardless of age.

The County provides post-employment healthcare and life insurance to its retirees. Health benefits are provided through the County's healthcare provider, Blue Cross Blue Shield of Florida (BCBSFL). The benefit levels are the same as those afforded to active employees. Health benefits include inpatient and outpatient medical services and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the County's plan becomes secondary.

# Funding Policy

A qualifying trust or agency fund has not been authorized by the County. The County negotiates the premium rates with BCBSFL. The required contribution is based on pay-as-you-go financing requirements. Upon a retiree or beneficiary reaching age 65 years of age, they are required to contribute 100% of their current premium costs. Prior to a retiree or beneficiary reaching age 65 years of age, the County pays a portion of the premium and the beneficiary is required to pay the remainder. The County contributes the remainder to cover the costs of providing the benefits to the retirees.

# Membership

At September 30, 2023, there were no terminated employees entitled to benefits but not yet receiving them. The membership of the Plan consisted of:

Active employees	198
Retirees in pay status	3
Total membership	201
Participating employers	1

## Note 4: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

## Total OPEB Liability

The County's total OPEB liability is reported herein as of September 30, 2023 for the County's fiscal year and reporting period of October 1, 2022 to September 30, 2023. The values shown for this fiscal year and reporting period are based on a measurement date of September 30, 2022 and the corresponding measurement period of October 1, 2022 to September 30, 2023. The measurement of the total OPEB liability is based on a valuation date of October 1, 2022. The following shows the changes in the County's total OPEB liability:

	Тс	otal OPEB	Plan Fiduciary		Net OPEB	
	Liability		Net Pension		Liability	
		(a)		(b)		(a)+(b)
Balance at September 30, 2022	\$	404,070	\$	-	\$	404,070
Service cost		34,979		-		34,979
Interest cost		16,881		-		16,881
Changes in assumptions		(6,093)		-		(6 <i>,</i> 093)
Benefit payments		(40,810)		-		(40,810)
Net changes		4,957		-		4,957
Balance as of fiscal year ended September 30, 2023	\$	409,027	\$	-	\$	409,027

Sensitivity of the total OPEB liability to changes in the discount rate - The following represents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1- percentage-point higher than the current discount rate:

	1% Decrease (3.63%)	Current Discount Rate (4.63%)		1% Increase (5.63%)	
Total OPEB Liability	\$ 435,937	\$ 409,027	\$	383,292	

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following represents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1-percentage-point higher than the current healthcare trend rates:

## Note 4: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

*Total OPEB Liability (continued)* 

	1% Decrease (2.94%)	Medical Trend Rate (3.94%)	1% Increase (4.94%)		
Total OPEB Liability	\$ 360,512	\$ 409,027	\$	467,589	

For the year ended September 30, 2023, the County recognized OPEB expense of \$3,394.

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			Deferred
	Outflows of			Inflows of
	Resources			
Difference between expected and acutal experience	\$	43,610	\$	46,662
Changes of assumptions		18,830		33,129
Total	\$	62,440	\$	79,791

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the years ended September 30,

;	
2024	\$ (7 <i>,</i> 656)
2025	(7 <i>,</i> 659)
2026	(6 <i>,</i> 885)
2027	3,143
2028	2,579
Thereafter	(873)
Total	\$ (17,351)

Actuarial Methods and Assumptions - The valuation report dated December 12, 2023 for the fiscal year end date of September 30, 2023 was prepared using GAAP and practices, and relied on unaudited census data and medical claims data reported by the County. Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used included techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

## Note 4: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

## Total OPEB Liability (continued)

In the September 30, 2023 actuarial valuation, the entry age normal actuarial cost method was used to determine the Plan's funding liabilities and assets. The actuarial assumption included the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	Varies by Service
Discount Rate	4.63%
Rate of Growth in Real Income/GDP per capita	1.40%
Excess Trend due to Technology and Other Factors	1.00%
Health Share of GDP Resistance Point	20%
Year of Limiting Cost Growth to GDP Growth	2075

The discount rate represents the 20-year general obligation bond index rate at September 30, 2023. Mortality rates were based on the PUB-2010 Mortality Table (without income adjustments), with full generational improvements in mortality using Scale MP-2021.

## **Note 5: COMMITMENTS AND CONTINGENCIES**

*Grants* - Grant monies received and disbursed by the County are for specific purposes and are subject to review by the grantor agencies. Such reviews may result in requests for reimbursement due to disallowed expenditures. The County is not aware of any potentially disallowed grant expenditures other than Hurricane Michael Funding from FEMA. There are currently ongoing discussions between FEMA and the County regarding resolution of this funding.

*Construction Commitments* - The County had open contract commitments for road construction projects as of September 30, 2023, as follows:

Contract amounts Amount expended through September 30, 2023	\$ 17,729,546 12,723,450
Remaining commitment on contract	\$ 5,006,096

## Note 6: RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are mitigated in several ways including participation in a public entity risk pool. The County maintains workers' compensation coverage, health insurance, automobile liability, property, and general liability coverage with Public Risk Management. The County pays yearly premiums to this pool which covers all losses incurred subject to policy and contract limitations and coverage.

## Note 7: LITIGATION

The County is involved in several litigations and claims arising in the ordinary course of operations. In the opinion of management, the range of potential recoveries or liabilities would not materially affect the financial position of the County at September 30, 2023. Accordingly, no accruals for loss contingency have been made in the accompanying financial statements.

## **Note 8: SUBSEQUENT EVENTS**

The County entered into a new loan agreement for a revolving credit bond in November 2023 in order to refund the previous loan entered into during March 2023. The bond is not to exceed \$12,000,000 in principal amount and is to be used to finance certain capital projects of the County.

# Washington County, Florida Required Pension Supplementary Information

# Schedule of Employer's Proportionate Share of the Net Pension Liability Florida Retirement System Pension Plan Last Ten Fiscal Years

As of and for the year ended June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.040460774%	0.036530611%	0.037063113%	0.039835893%	0.041003815%	0.039311830%	0.039421864%	0.037700000%	0.035800000%	0.034600000%
County's proportionate share of the net pension liability (asset)	\$ 16,122,338	\$ 13,592,323	\$ 2,799,697	\$ 17,265,847	\$ 14,121,142	\$ 11,840,927	\$ 11,660,723	\$ 9,508,368	\$ 4,618,120	\$ 2,113,210
County's covered payroll*	\$ 10,958,518	\$ 9,893,543	\$ 8,208,854	\$ 9,315,632	\$ 8,854,312	\$ 8,297,505	\$ 7,956,177	\$ 7,837,732	\$ 7,571,054	\$ 7,380,629
County's proportionate share of the net pension liability (asset) as a percentage of its own covered payroll	147.12%	137.39%	34.11%	185.34%	159.48%	142.70%	146.56%	121.32%	61.00%	28.63%
FRS Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

\*County's covered payroll during the fiscal year is the total payroll paid to covered employees (not just pensionable payroll). The amounts for each fiscal year were determined as of June 30.

#### Washington County, Florida Required Pension Supplementary Information

#### Schedule of Employer's Contributions Florida Retirement System Pension Plan Last Ten Fiscal Years

As of and for the year ended September 30,		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions**	\$	1,946,425 \$	1,558,827 \$	1,411,944 \$	1,323,520 \$	1,271,414 \$	1,120,355 \$	1,028,157 \$	918,321 \$	871,715 \$	758,641
Contributions in relation to the contractually required contribution	l	(1,946,425)	(1,558,827)	(1,411,944)	(1,323,520)	(1,271,414)	(1,120,355)	(1,028,157)	(918,321)	(871,715)	(758,641)
Contribution deficiency (excess)	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	-
County's covered payroll*	\$	11,288,691 \$	10,368,210 \$	8,667,835 \$	9,254,293 \$	8,784,277 \$	8,251,801 \$	7,956,177 \$	7,837,732 \$	7,571,054 \$	7,380,629
Contributions as a percentage of covered payroll		17.24%	15.03%	16.29%	14.30%	14.47%	13.58%	12.92%	11.72%	11.51%	10.28%

\*County's covered payroll during the measurement period is the total payroll paid to covered employees (not just pensionable payroll). The amounts for each fiscal year were determined for the year ended September 30.

\*\*The amount of contractually required contributions is equal to the amount that would be recognized as additions from the employer's contributions in the pension plan's schedule of changes in fiduciary net position during the period that coincides with the employer's fiscal year.

#### Washington County, Florida Required Pension Supplementary Information

Schedule of Employer's Proportionate Share of the Net Pension Liability Health Insurance Subsidy Program Last Ten Fiscal Years

As of and for the year ended June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.027697724%	0.025743539%	0.026013672%	0.025673922%	0.025515740%	0.024206707%	0.024003295%	0.024000000%	0.023300000%	0.012800000%
County's proportionate share of the net pension liability (asset)	\$ 4,398,768	\$ 2,726,652	\$ 3,191,736	\$ 3,134,744	\$ 2,854,955	\$ 2,562,065	\$ 2,566,543	\$ 2,792,437	\$ 2,375,636	\$ 2,212,590
County's covered payroll*	\$ 10,958,518	\$ 9,893,543	\$ 8,208,854	\$ 9,254,293	\$ 8,854,312	\$ 8,297,505	\$ 7,956,177	\$ 7,837,732	\$ 7,571,054	\$ 7,380,629
County's proportionate share of the net pension liability (asset) as a percentage of its own covered payroll	40.14%	27.56%	38.88%	33.87%	32.24%	30.88%	32.26%	35.63%	31.38%	29.98%
HIS Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.00%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

\*County's covered payroll during the fiscal year is the total payroll paid to covered employees (not just pensionable payroll). The amounts for each fiscal year were determined as of June 30.

#### Washington County, Florida Required Pension Supplementary Information

#### Schedule of Employer's Contributions Health Insurance Subsidy Program Last Ten Fiscal Years

As of and for the year ended September 30,		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions**	\$	182,199 \$	155,771 \$	152,909 \$	147,947 \$	141,686 \$	131,274 \$	125,880 \$	122,810 \$	89,045 \$	81,063
Contributions in relation to the contractually required	I										
contribution		(182,199)	(155,771)	(152,909)	(147,947)	(141,686)	(131,274)	(125,880)	(122,810)	(89,045)	(81,063)
Contribution deficiency (excess)	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	-
County's covered payroll*	\$	11,288,691 \$	10,368,210 \$	8,667,835 \$	9,254,293 \$	8,784,277 \$	8,251,801 \$	7,956,177 \$	7,837,732 \$	7,571,054 \$	7,380,629
Contributions as a percentage of covered payroll		1.61%	1.50%	1.76%	1.60%	1.61%	1.59%	1.58%	1.57%	1.18%	1.10%

\*County's covered payroll during the measurement period is the total payroll paid to covered employees (not just pensionable payroll). The amounts for each fiscal year were determined for the year ended September 30.

\*\*The amount of contractually required contributions is equal to the amount that would be recognized as additions from the employer's contributions in the pension plan's schedule of changes in fiduciary net position during the period that coincides with the employer's fiscal year.

#### Washington County, Florida Required Supplementary Information

# Schedule of Changes in Total OPEB Liability and Related Ratios Last Six Fiscal Years\*

As of and for the year ended September 30,		2023		2022		2021		2020		2019		2018
Total OPEB Liability			1								1	
Service cost	\$	34,979	Ş	39,192	Ş	36,711 \$		32,409	Ş	26,655	Ş	26,894
Interest		16,881		7,590		7,787		11,143		14,444		13,497
Changes of benefit terms		-		-		-		-		-		-
Differences between expected and actual experience		-		60,356		-	•	08,882)		-		1,998
Changes of assumptions		(6,093)		(36,219)		3,943		13,911		28,303		(8,137)
Benefit payments		(40,810)		(26,813)		(23,178)		38,176)		(44,493)		(39,002)
Net change in total OPEB liability		4,957		44,106		25,263	(	89,595)		24,909		(4,750)
Total OPEB liability - beginning		404,070		359,964		334,701	4	24,296		399,387		404,137
Total OPEB liability - ending (a)	\$	409,027	\$	404,070	\$	359,964 \$	3	34,701	\$	424,296	\$	399,387
Dise Fiducies Nat Desition												
Plan Fiduciary Net Position	ć	40.040	÷	20.042	÷	22.470 ć		0 470	÷	44.400	÷	20.002
Contributions - employer	\$	40,810	Ş	26,813	Ş	23,178 \$		38,176	Ş	44,493	Ş	39,002
Benefit payments		(40,810)		(26,813)		(23,178)	(	38,176)		(44,493)		(39,002)
Net change in plan fiduciary net position		-		-		-		-		-		
Plan fiduciary net position - beginning		-		-		-		-		-		-
Plan fiduciary net position - ending (b)		-				-		-		-		
Total OPEB liability - ending (a) - (b)	\$	409,027	\$	404,070	\$	359,964 \$	3	34,701	\$	424,296	\$	399,387
Nen fiduaine, not position of a neurostano of the total												
Plan fiduciary net position as a percentage of the total OPEB liability		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
Covered-employee payroll	\$	11,288,691	\$1	10,368,210	\$	8,667,835 \$	9,2	54,293	\$	8,784,277	\$8	3,251,801
Total OPEB liability as a percentage of covered-employee payroll		3.62%		3.90%		4.15%		3.62%		4.83%		4.84%
Contributions as a percentage of covered-employee payroll		0.36%		0.26%		0.27%		0.41%		0.51%		0.47%

\* This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

See accompanying notes to required supplementary schedules and accompanying Independent Auditor's Report

#### Washington County, Florida Required Supplementary Information

#### NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

#### **Note 1: OTHER POSTEMPLOYMENT BENEFITS PLAN**

The defined benefit OPEB plan does not have any assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension OPEB Plan.

The following actuarial assumptions changed in 2023:

• The discount rate was increased from 4.40% to 4.63%.

#### Note 2: FLORIDA RETIREMENT SYSTEMS (FRS)

The following actuarial assumptions changed in 2023:

• The valuation date changed from July 1, 2022 to July 1, 2023.

#### Note 3: HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

The following actuarial assumptions changed in 2023:

• The discount rate increased from 3.54% to 3.65%.

		Special Revenue Funds								
				Small						
		Public		Counties		Buckhorn				
September 30, 2023		Library		Grant		Road				
Assets										
Cash and cash equivalents	\$	1,683	\$	54,247	\$	-				
Accounts receivable, net	Ŧ	22,921	Ŧ		Ŧ	-				
Due from other funds		-		442		-				
Due from other governments		-		38,388		33,833				
	4									
Total assets	\$	24,604	Ş	93,077	Ş	33,833				
Liabilities										
Accounts payable and accrued expenses	\$	29,314	\$	5,113	\$	25,511				
Due to other funds	Ŧ	55,040	Ŧ	128,075	Ŧ	8,322				
Due to other governments		-		-		- , -				
Unearned revenue		-		-		-				
Total liabilities		84,354		133,188		33,833				
Fund balances (deficit)										
Restricted		-		-		-				
Committed		-		-		-				
Assigned		-		-		-				
Unassigned		(59,750)		(40,111)		-				
Total fund balances (deficit)		(59,750)		(40,111)		-				
		(,-00)		(,)						
Total liabilities and fund balances (deficit)	\$	24,604	\$	93,077	\$	33,833				

 Fines & Forfeiture	Thirty Dollar Surcharge	Countywide Flooding	Civil Fee	Local Housing Assistance Trust (SHIP)
\$ 114,665 - - 132,607	\$ 195,717 5,732 -	\$ - 61,614 -	\$ 8,700 - -	\$ 1,318,854 - -
\$	\$ 201,449	\$ 61,614	\$ 8,700	\$ 1,318,854
\$ 25,365 151,872 - -	\$ 4,742 3,191 -	\$ 24,114 37,500 -	\$ 8,700 - -	\$ 14,314 - - 1,246,488
177,237	7,933	61,614	8,700	1,260,802
70,035 - - -	193,516 - - -	- - -	- - -	58,052 - - -
 70,035	193,516	-	-	58,052
\$ 247,272	\$ 201,449	\$ 61,614	\$ 8,700	\$ 1,318,854

	Special Revenue Funds									
September 30, 2023	Me	Emergency edical Service		Municipal Service Business Unit	Fire Operation					
Assets Cash and cash equivalents Accounts receivable, net Due from other funds Due from other governments	\$	110,111 302,493 - -	\$	872 6,199 - -	\$	638,185 - 21,170 -				
Total assets	\$	412,604	\$	7,071	\$	659,355				
Liabilities Accounts payable and accrued expenses Due to other funds Due to other governments Unearned revenue	\$	28,665 - 39,927 -	\$	4,438 - - -	\$	63,892 - - -				
Total liabilities		68,592		4,438		63,892				
Fund balances (deficit) Restricted Committed Assigned Unassigned		- - 344,012 -		- 2,633 - -		- 595,463 - -				
Total fund balances (deficit)		344,012		2,633		595,463				
Total liabilities and fund balances (deficit)	\$	412,604	\$	7,071	\$	659,355				

Com	Radio munication	Agricultural Grant	Law Enforcement Trust Fund III	Greenhead	Special Projects Impact
\$	93,545 2,054 50,000 -	\$ - - -	\$ 45,904 4,032 - -	\$ - :	\$ 123,716 1,944 - -
\$	145,599	\$ -	\$ 49,936	\$ -	\$ 125,660
\$	- - -	\$ - - -	\$ - - -	\$ - : - -	\$ - - -
	-	-	-	-	-
	145,599 - - -	- - -	49,936 - - -	- - - -	125,660 - - -
	145,599	-	49,936	-	125,660
\$	145,599	\$ 	\$ 49,936	\$ -	\$ 125,660

	-	nforcement		Culpepper		Arthropod
September 30, 2023		Trust Fund I		Landing		Control
Assets						
Cash and cash equivalents	\$	421	Ś	-	\$	111,208
Accounts receivable, net	Ŷ		Ŷ	-	Ŷ	
Due from other funds		-		-		-
Due from other governments		-		-		-
Total assets	\$	421	\$	-	\$	111,208
Liabilities						
Accounts payable and accrued expenses	\$	-	\$	-	\$	1,726
Due to other funds		-		-		-
Due to other governments		-		-		-
Unearned revenue		-		-		8,278
Total liabilities		-		-		10,004
Fund balances (deficit)						
Restricted		421		_		-
Committed		- 124		_		101,204
Assigned		-		-		
Unassigned		-		-		-
Total fund balances (deficit)		421				101,204
Total liabilities and fund balances (deficit)	\$	421	\$	_	\$	111,208

 Choose Life Tag	SAFER Grant	Crystal Lake Road	E911	Police Education
\$ 1,867	\$ - - 208	\$	\$ 80,225	\$ 21,818 750
-	30,452	40,060	41,564	-
\$ 1,867	\$ 30,660	\$ 40,060	\$ 121,789	\$ 22,568
\$ -	\$ 10,185 20,475 - -	\$ - 40,060 - -	\$ 68,734 3 -	\$ - - -
 -	30,660	40,060	68,737	
- - 1,867 -	- - -	- - -	- - 53,052 -	- 22,568 - -
1,867	-	-	53,052	22,568
\$ 1,867	\$ 30,660	\$ 40,060	\$ 121,789	\$ 22,568

	Special Revenue Funds							
September 30, 2023		Brickyard Road Resurface		Hunter Park		Tourist Development Tax		
<b>Assets</b> Cash and cash equivalents Accounts receivable, net Due from other funds Due from other governments	\$	- - - 606,391	\$	- 264 - -	\$	62,222 - - 8,234		
Total assets	\$	606,391	\$	264	\$	70,456		
Liabilities Accounts payable and accrued expenses Due to other funds Due to other governments Unearned revenue	\$	- 606,391 - -	\$	- 264 - -	\$	6,171 - -		
Total liabilities		606,391		264		6,171		
Fund balances (deficit) Restricted Committed Assigned Unassigned				- - -		64,285 - - -		
Total fund balances (deficit)		-		-		64,285		
Total liabilities and fund balances (deficit)	\$	606,391	\$	264	\$	70,456		

 Emergency Management Enhancement	EMPG Grant	Criminal Education	Cost of Incarceration	Crime Prevention
\$ 17,820 - -	\$ - \$ - - -	24,572 468 -	\$ 30,422 314 -	\$ 65,555 599 -
\$ 17,820	\$ - \$	25,040	\$ 30,736	\$ 66,154
\$ 6,547 6,335 - -	\$ - \$ - - -	- - -	\$ -	\$ - - -
12,882	-	-	-	-
4,938 - - -	- - -	25,040 - -	30,736 - -	66,154 - -
 4,938	-	25,040	30,736	66,154
\$ 17,820	\$ - \$	25,040	\$ 30,736	\$ 66,154

	Special Revenue Funds					
September 30, 2023	Article V Technology		Sixty-Five Dollar Surcharge		EMPA Grant	
Assets						
Cash and cash equivalents Accounts receivable, net Due from other funds Due from other governments	\$ 81,044 3,463 - -	\$	305,230 1,416 - -	\$	- 2,664 34,259	
Total assets	\$ 84,507	\$	306,646	\$	36,923	
Liabilities Accounts payable and accrued expenses Due to other funds Due to other governments Unearned revenue	\$ 279 - -	\$	990 - -	\$	2,924 42,010 - -	
Total liabilities	279		990		44,934	
Fund balances (deficit) Restricted Committed Assigned Unassigned	84,228 - - -		305,656 - -		- - - (8,011)	
Total fund balances (deficit)	84,228		305,656		(8,011)	
Total liabilities and fund balances (deficit)	\$ 84,507	\$	306,646	\$	36,923	

 Probation	Sunday Road	Fire Impact Fees	Boat Ramp	Water Management Grant
\$ 132,429 3,231 -	\$ - - 290 1,534,057	\$ 10,791 213 -	\$ 8,083 591 -	\$ - - -
\$ 135,660	\$ 1,534,347	\$ 11,004	\$ 8,674	\$ -
\$ 1,217 - - -	\$ 449,960 1,084,387 - -	\$ - - - -	\$ - - - -	\$ - - -
1,217	1,534,347	-	-	-
134,443 - - -	-	- - 11,004 -	- 8,674 - -	- - -
 134,443	-	11,004	8,674	-
\$ 135,660	\$ 1,534,347	\$ 11,004	\$ 8,674	\$ 

Special Revenue Funds Building Inmate EMS Department September 30, 2023 Welfare Impact Fees Assets \$ Cash and cash equivalents 341,320 \$ 306,472 \$ 27,707 Accounts receivable, net 4,636 150 Due from other funds \_ Due from other governments -\$ **Total assets** 345,956 \$ 306,472 \$ 27,857 Liabilities Accounts payable and accrued expenses \$ 15,224 \$ \$ Due to other funds 1,762 Due to other governments 14,729 Unearned revenue **Total liabilities** 16,986 14,729 Fund balances (deficit) 291,743 Restricted 27,857 328,970 Committed Assigned Unassigned \_ -Total fund balances (deficit) 328,970 291,743 27,857 Total liabilities and fund balances (deficit) \$ 345,956 \$ 306,472 \$ 27,857

 Orange Hill & South Blvd	Hurricane Sally	Davidson Road	Public Records Modernization Trust
\$ - \$	1,195,794 \$	- \$	86,627
 - - 778,257		- - 5,100	- 22,082 -
\$ 778,257 \$	1,195,794 \$	5,100 \$	108,709
\$ 28,740 \$ 749,517 - -	800 \$ 3,460 - -	3,400 \$ 1,700 -	- - -
778,257	4,260	5,100	-
 - - -	1,191,534 - - -	- - -	108,709 - -
 _	1,191,534	<u>-</u>	108,709
\$ 778,257 \$	1,195,794 \$	5,100 \$	108,709

	Special Revenue Funds						
September 30, 2023		Law Enforcement Trust Fund II		Industrial Park Grant	S	South Blvd & Kirkland	
Assets Cash and cash equivalents Accounts receivable, net Due from other funds Due from other governments	\$	84,810 - - -	\$	- - -	\$	- - -	
Total assets	\$	84,810	\$		\$	_	
Liabilities Accounts payable and accrued expenses Due to other funds Due to other governments Unearned revenue	\$	- - -	\$	75,000 - -	\$	- - -	
Total liabilities		-		75,000			
Fund balances (deficit) Restricted Committed Assigned Unassigned		84,810 - - -		- - - (75,000)		- - -	
Total fund balances (deficit)		84,810		(75,000)			
Total liabilities and fund balances (deficit)	\$	84,810	\$	-	\$	-	

								Total
						Series		Nonmajor
0	Douglas Ferry		Tropical			2009 A & B		Governmental
	Road		Storm Fred			Debt Service		Funds
\$	-	\$	-		\$	-	\$	5,702,636
	-		-			-		423,084
	-		-			-		96,856
	114,466		-			-		3,397,668
\$	114,466	\$	-		\$	-	\$	9,620,244
\$	57,233	\$	-		\$	-	\$	963,298
	57,233		-			-		2,997,597
	-		-			-		54,656
	-		-			-		1,254,766
	114,466		-			-		5,270,317
	-		-			-		3,063,352
	-		-			-		1,059,512
	-		-			-		409,935
	-		-			-		(182,872)
	-		-	-		-		4,349,927
ć	114 400	4			ć		<u>ــ</u>	0 ( 20 244
\$	114,466	\$	-		\$	-	\$	9,620,244

	Specia	al Revenue Funds	
	Public	Small Counties	Buckhorn
For the year ended September 30, 2023	Library	Grant	Road
Revenues			
Taxes	\$ - \$	- \$	-
Licenses and permits	-	-	-
Intergovernmental	257,372	93,750	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings	-	-	-
Miscellaneous revenues	138,655	20,260	-
Total revenues	396,027	114,010	-
Expenditures			
Current			
General government	-	-	-
Public health and safety	-	-	-
Physical environment	-	173,339	-
Transportation	-	, -	-
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	696,744	-	-
Court related	-	-	-
Capital outlay	53,588	-	-
Debt service			
Principal	5,000	-	-
Interest and other charges	6,660	-	-
Total expenditures	761,992	173,339	-
Excess (deficiency) of revenues			
over (under) expenditures	(365,965)	(59,329)	-
	(000)000)	(00)0107	
Other Financing Sources (Uses)	054.040		
Transfers in	351,849	-	-
Transfers out	-	-	-
Net other financing sources (uses)	351,849	-	-
Net change in fund balances	(14,116)	(59,329)	-
Fund balances (deficit) - beginning of year	(45,634)	19,218	-
Fund balances (deficit) - end of year	\$ (59,750) \$	(40,111) \$	-

 Fines & Forfeiture	Thirty Dollar Surcharge	Countywide Flooding	Civil Fee	Local Housing Assistance Trust (SHIP)
\$ - \$	- \$	- \$	- \$	-
-	-	- 71,614	-	-
703,420 319,073	- 77,777	- 1,014	- 59,158	564,180 -
154,107	-	-	-	-
746	-	-	-	11,489
 1,060	25	-	-	4,000
1,178,406	77,802	71,614	59,158	579,669
1,018,819	-	-	-	-
-	-	-	11,508	-
-	-	71,614	-	-
-	-	-	-	-
-	-	-	-	579,669
-	-	-	-	-
-	107,244	-	-	-
-	-	-	-	-
-	-	-	-	-
 1,018,819	107,244	71,614	11,508	579,669
159,587	(29,442)	-	47,650	-
-	-	-	-	-
 (114,193)	-	-	(47,650)	-
 (114,193)	-	-	(47,650)	-
45,394	(29,442)	-	-	-
 24,641	222,958	-	-	58,052
\$ 70,035 \$	193,516 \$	- \$	- \$	58,052

		Sp	ecial Re	venue Fun	as	
For the year ended September 30, 2023	N/0	Emergency dical Service	D	Municipal Service siness Unit		Fire Operation
	IVIE		Bu	Silless Unit		Operation
Revenues						
Taxes	\$	-	\$	531,353	\$	-
Licenses and permits		-		-		-
Intergovernmental		-		-		78,253
Charges for services		1,480,582		-		-
Fines and forfeitures		-		-		-
Investment earnings		-		-		-
Miscellaneous revenues		-		300		3,720
Total revenues		1,480,582		531,653		81,973
Expenditures						
Current						
General government		-		-		-
Public health and safety		2,314,013		-		462,401
Physical environment		-		-		-
Transportation		-		-		-
Economic environment		-		718,284		-
Human services		-		-		-
Culture and recreation		-		-		-
Court related		-		-		-
Capital outlay		17,412		-		134,836
Debt service						
Principal		-		-		25,935
Interest and other charges		-		-		2,057
Total expenditures		2,331,425		718,284		625,229
Excess (deficiency) of revenues						
over (under) expenditures		(850,843)		(186,631)		(543,256)
Other Financing Sources (Uses)						
Transfers in		1,048,437		_		550,220
Transfers out		(14,636)		-		
Net other financing sources (uses)		1,033,801				550,220
				-		
Net change in fund balances		182,958		(186,631)		6,964
Fund balances (deficit)- beginning of year		161,054		189,264		588,499
Fund balances (deficit) - end of the year	\$	344,012	\$	2,633	\$	595,463

Comr	Radio munication	Agricultural Grant	Law Enforcement Trust Fund III	Greenhead	Special Projects Impact
\$	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	56,742
	-	19,200	-	-	-
	28,177	-	4,032	-	-
	-	-	-	-	-
	-	-	-	-	-
	28,177	19,200	4,032	-	56,742
	-	-	-	-	-
	30,563	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	9,200	-	-	-
	-	- 10,000	-	- 2,855	-
	-	-	-	-	-
	- 30,563	- 19,200	-	2,855	
	30,303	15,200		2,000	
	(2,386)	-	4,032	(2,855)	56,742
	50,000	-	-	131,430	-
	50,000	 -	-	131,430	 
	47,614	-	4,032	128,575	56,742
	, 97,985	-	45,904	(128,575)	68,918
\$	145,599	\$ -	\$ 49,936	\$	\$ 125,660

For the year ended September 30, 2023	nforcement Frust Fund I	Culpepper Landing	Arthropod Control
Revenues			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	51,998
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings	-	-	-
Miscellaneous revenues	-	-	
Total revenues	-	-	51,998
Expenditures			
Current			
General government	-	-	-
Public health and safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	-
Economic environment	-	-	-
Human services	-	-	60,342
Culture and recreation	-	3,400	-
Court related	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Total expenditures	-	3,400	60,342
Excess (deficiency) of revenues			
over (under) expenditures	-	(3,400)	(8,344)
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Net other financing sources (uses)	-	-	
Net change in fund balances	-	(3,400)	(8,344)
Fund balances (deficit)- beginning of year	421	3,400	109,548
Fund balances (deficit) - end of the year	\$ 421	\$ -	\$ 101,204

 Choose Life Tag	SAFER Grant	Crystal Lake Road	E911	Police Education
\$ - \$	- \$	- \$	- \$	-
-	- 30,452 -	- 14,040 -	- 97,459 170,019	- - 4,113
- -	-	-	-	-
 -	30,452	- 14,040	9,300 276,778	4,113
_	_	_	_	_
	30,452	-	356,961	-
- -	-	-	-	-
	-	-	-	
-	-	14,040	-	-
 -	-	-	-	-
 -	30,452	14,040	356,961	-
-	-	-	(80,183)	4,113
 -	-	-	10,000	-
 -	-	-	10,000	-
 - 1,867	-	-	(70,183) 123,235	4,113 18,455
\$ 1,867 \$	- \$	- \$	53,052 \$	22,568

	Special Revenue Funds					
		Brickyard Road		Hunter	Tourist Development	
For the year ended September 30, 2023		Resurface		Park	Tax	
Revenues						
Taxes	\$	-	\$	- \$	111,698	
Licenses and permits		-		-	-	
Intergovernmental		12,500		-	18,500	
Charges for services Fines and forfeitures		-		-	-	
Investment earnings		-		-	-	
Miscellaneous revenues		-		-	-	
		10 500			100.400	
Total revenues		12,500		-	130,198	
Expenditures						
Current						
General government		-		-	-	
Public health and safety		-		-	-	
Physical environment		-		-	-	
Transportation		-		-	-	
Economic environment		-		-	138,537	
Human services Culture and recreation		-		-	-	
Court related		12,500		-	-	
Capital outlay		-		-	-	
Debt service						
Principal		-		-	-	
Interest and other charges		-		_	-	
Total expenditures		12,500		_	138,537	
		12,500			138,337	
Excess (deficiency) of revenues					(0, 220)	
over (under) expenditures		-		-	(8,339)	
Other Financing Sources (Uses)						
Transfers in		-		-	-	
Transfers out		-		-	-	
Net other financing sources (uses)		-		-	-	
Net change in fund balances		-		-	(8,339)	
Fund balances (deficit) - beginning of year		-		-	72,624	
Fund balances (deficit)- end of year	\$	-	\$	- \$	64,285	
			•	1	, -	

	Emergency Management Enhancement	EMPG Grant	Criminal Education	Cost of Incarceration	Crime Prevention
\$	-	\$	\$-	\$-	\$-
•	-	-	-	-	-
	-	43,343	-	-	-
	-	-	6,310	2,471	8,105
	-	-	-	-	-
	-	-	-	-	-
	-	43,343	6,310	2,471	8,105
	-	-	-	-	-
	90,915	-	6,174	-	-
	-	-	-	-	-
	-	43,343	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	
	90,915	43,343	6,174	-	
	(90,915)	-	136	2,471	8,105
	81,675	-	-	-	-
	81,675	-	-	_	
	(9,240)	_	136	2,471	8,105
	14,178	-	24,904	28,265	58,049
\$		\$		\$ 30,736	\$ 66,154

	Special Revenue Funds							
For the year ended September 30, 2023		Article V Technology	Sixty-Five Dollar Surcharge	EMPA Grant				
Revenues								
Taxes	\$	-	\$-	\$-				
Licenses and permits		-	-	-				
Intergovernmental		-	-	94,021				
Charges for services		40,747	18,891	-				
Fines and forfeitures		-	-	-				
Investment earnings		-	-	-				
Miscellaneous revenues		-	-	-				
Total revenues		40,747	18,891	94,021				
Expenditures Current								
General government		-	-	102,032				
Public health and safety		-	-	-				
Physical environment		-	-	-				
Transportation		-	-	-				
Economic environment		-	-	-				
Human services		-	-	-				
Culture and recreation		-	-	-				
Court related		20,549	20,352	-				
Capital outlay		-	-	-				
Debt service								
Principal		-	-	-				
Interest and other charges		-	-	-				
Total expenditures		20,549	20,352	102,032				
Excess (deficiency) of revenues over (under) expenditures		20,198	(1,461)	(8,011)				
Other Financing Sources (Uses) Transfers in		_	_	-				
Transfers out								
Net other financing sources (uses)		_	-	-				
Net change in fund balances		20,198	(1,461)	(8,011)				
Fund balances (deficit) - beginning of year		64,030	307,117	-				
Fund balances (deficit) - end of year	\$	84,228	\$ 305,656	\$ (8,011)				

 Probation	Sunday Road	Fire Impact Fees	Boat Ramp	Water Management Grant
\$ - \$	- \$	-	\$ -	\$-
-	-	6,671	-	-
-	1,638,469	-	-	-
55,161	-	-	-	-
-	-	-	-	-
 -	-	-	7,567	-
55,161	1,638,469	6,671	7,567	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
60,890 26,816	1,638,469	-	-	-
-	-	-	-	-
 87,706	1,638,469	-	-	<u> </u>
(32,545)	-	6,671	7,567	-
-	-	-	-	37,847
 -	-	-	-	- 37,847
 (32,545)	-	6,671	7,567	37,847
 166,988	-	4,333	1,107	(37,847)
\$ 134,443 \$	- \$	11,004	\$ 8,674	\$ -

For the upper and ad Contomber 20, 2022	Building	Inmate			
For the year ended September 30, 2023	Department	Welfare		Impact Fees	
Revenues					
Taxes	\$ -	\$ -	\$	-	
Licenses and permits	380,944	-		9,089	
Intergovernmental	-	-		-	
Charges for services	-	188,176		-	
Fines and forfeitures	-	-		-	
Investment earnings	-	698		-	
Miscellaneous revenues	3,877	2,704		-	
Total revenues	384,821	191,578		9,089	
Expenditures					
Current					
General government	-	-		-	
Public health and safety	345,309	130,634		-	
Physical environment	-	-		-	
Transportation	-	-		-	
Economic environment	-	-		-	
Human services	-	-		-	
Culture and recreation	-	-		-	
Court related	-	-		-	
Capital outlay	-	48,044		-	
Debt service					
Principal	-	-		-	
Interest and other charges	-	-		-	
Total expenditures	345,309	178,678		-	
Excess (deficiency) of revenues					
over (under) expenditures	39,512	12,900		9,089	
Other Financing Sources (Uses)					
Transfers in	-	-		-	
Transfers out	-	(9,169)		-	
Net other financing sources (uses)	-	(9,169)		-	
Net change in fund balances	39,512	 3,731		9,089	
Fund balances (deficit) - beginning of year	289,458	288,012		18,768	
Fund balances (deficit) - ending of year	\$ 328,970	\$ 291,743	\$	27,857	

 Orange Hill & South Blvd	Hurricane Sally		idson Road	Public Records Modernization Trust
\$ - \$	-	\$	- \$	-
- 949,489	- 1,021,495	49	- ,481	-
-			-	51,632
-	-		-	-
-	-		-	494
 949,489	1,021,495	49	,481	52,126
43,110	-		-	-
-	-		-	-
- 906,379	39,377	01	- ,481	-
-	-		-	-
-	-		-	-
-	-		-	-
-	-		-	-
-	-		-	-
 949,489	39,377	49	,481	-
-	982,118		-	52,126
-	-		-	-
 -	-		-	
-	982,118		-	52,126
 	209,416		-	56,583
\$ - \$	1,191,534	\$	- \$	108,709

	Special Revenue Funds								
For the year ended September 30, 2023		Law Enforcement Trust Fund II		Industrial Park Grant	South Blvd & Kirkland				
Revenues									
Taxes	\$	-	\$	- :	\$-				
Licenses and permits		-		-	-				
Intergovernmental		-		-	513,229				
Charges for services		-		-	-				
Fines and forfeitures		-		-	-				
Investment earnings		-		-	-				
Miscellaneous revenues		-		-	-				
Total revenues		-		-	513,229				
Expenditures									
Current									
General government		-		-	-				
Public health and safety		-		-	-				
Physical environment		-		-	-				
Transportation		-		-	513,229				
Economic environment		-		75,000	-				
Human services		-		-	-				
Culture and recreation		-		-	-				
Court related		-		-	-				
Capital outlay		-		-	-				
Debt service									
Principal		-		-	-				
Interest and other charges		-		-	-				
Total expenditures		-		75,000	513,229				
Excess (deficiency) of revenues									
over (under) expenditures		-		(75,000)	-				
Other Financing Sources (Uses)									
Transfers in		-		-	-				
Transfers out		-		-	-				
Net other financing sources (uses)		-		-	-				
Net change in fund balances		-		(75,000)	-				
Fund balances (deficit) - beginning of year		84,810		-	-				
Fund balances (deficit) - end of year	\$	84,810	\$	(75,000)	\$				

			Deb	t Service Fund		
						Total
				Series		Nonmajor
	Douglas Ferry Tropical			2009 A & B		Governmental
	Road	Storm Fred		Debt Service		Funds
4		A	<u>,</u>		A	642.054
\$	-	\$-	\$	-	\$	643,051
	-	-		-		453,446
	298,935	-		-		6,621,200
	-	-		-		2,514,424
	-	-		-		154,107
	-	-		-		13,427
	-	-		-		191,468
	298,935	-		-		10,591,123
	-	-		-		1,163,961
	-	-		-		3,778,930
	-	-		-		284,330
	298,935	-		-		1,768,024
	- 200,000	-		-		1,554,833
	_	-		-		60,342
	_	_		-		721,844
	_	-		-		209,035
	-	-		-		1,946,060
						2)3 (0)000
	-	-		439,100		470,035
	-	-		82,716		91,433
	298,935	-		521,816		12,048,827
	-	-		(521,816)		(1,457,704)
	-	127,515		521,816		2,910,789
	-	-		-		(185,648)
	-	127,515		521,816		2,725,141
	-	127,515		-		1,267,437
	-	(127,515)		-		3,082,490
\$	-	\$-	\$	-	\$	4,349,927

### Washington County, Florida Combining Statement of Fiduciary Net Position – Custodial Funds

	Clerk of the Circuit Court				
		General		Child	
September 30, 2023		Trust		Support	
Assets					
Cash and cash equivalents	\$	158,647	\$	9,060	
Due from other governments		12,745		12	
Total assets	\$	171,392	\$	9,072	
Liabilities					
Due to other funds	\$	128,059	\$	7,791	
Due to other governments		43,333		1,281	
Total liabilities		171,392		9,072	
Net Position					
Restricted		-		-	
Total liabilities and net position	\$	171,392	\$	9,072	

 Jury and Witness	Tax Deeds	Cash Bonds	Registry of Court
\$ 1,668	\$ 635,105	\$ 22,545	\$ 357,712
\$ 1,668	\$ 635,105	\$ 22,545	\$ 357,712
\$ - 1,668	\$ 634,986 119	\$ 22,000 545	\$ 342,905 14,807
1,668	635,105	22,545	357,712
 -	-	-	
\$ 1,668	\$ 635,105	\$ 22,545	\$ 357,712

### Washington County, Florida Combining Statement of Fiduciary Net Position (Continued) – Custodial Funds

				Sheri	iff	f		
	Dependency		Forfeiture		Inmate			
September 30, 2023	Mediation			Fund		elfare Trust		
Assets								
Cash and cash equivalents	\$	5,608	\$	83 <i>,</i> 665	\$	10,940		
Due from other governments		-		-		-		
Total assets	\$	5,608	\$	83,665	\$	10,940		
Liabilities								
Due to other funds	\$	5,608	\$	-	\$	-		
Due to other governments		-		-		-		
Total liabilities		5,608		-		-		
Net Position								
Restricted		-		83,665		10,940		
Total liabilities and net position	\$	5,608	\$	83,665	\$	10,940		

		Tax Collector		-	
	Escrow	Тад	Тах		Total
\$	187,930 -	\$ - 596	\$ 31,910 196	\$	1,504,790 13,549
 \$	187,930	\$ 596	\$ 32,106	\$	1,518,339
\$	-	\$ -	\$	\$	1,141,349
	187,930	596	32,106		282,385
	187,930	596	32,106		1,423,734
	-	<u>-</u>	_		94,605
 \$	187,930	\$ 596	\$ 32,106	\$	1,518,339

## Washington County, Florida Combining Statement of Changes in Fiduciary Net Position – Custodial Funds

	<i>Clerk of the Circuit Court</i>					
	Ger	General		Child		ury and
For the year ended September 30, 2023	Tr	ust	9	Support	١	Nitness
Additions						
Clerk of circuit and county courts collections	\$ 4,9	68,039	\$	106,471	\$	7 <i>,</i> 005
Tax collections and fees						
for other governments		-		-		-
Collections for others		-		-		-
Total additions	4,9	68,039		106,471		7,005
Deductions						
Current						
Payments of clerk of circuit and county courts						
collections to other governments	4,9	68,039		106,471		7,005
Payments of tax and other fees						
to other governments		-		-		-
Payments to others		-		-		-
Total deductions	4,9	68,039		106,471		7,005
Net increase (decrease) in fiduciary net position		-		-		-
Net position, beginning of year		-		-		-
Net position, end of year	\$	-	\$	-	\$	

Tax Deeds		Cash Bonds	Registry of Court	Dependency Mediation	
\$	893,424	\$ 86,626	\$ 950,531	\$ 9,500	
	-	-	-	-	
	893,424	86,626	950,531	9,500	
	893,424	86,626	950,531	9,500	
	-	-	-	-	
	893,424	86,626	950,531	9,500	
	-	-	-	-	
	-	-	-	-	
\$		\$-	\$ -	\$ -	

## Washington County, Florida Combining Statement of Changes in Fiduciary Net Position (Continued) – Custodial Funds

	Sheriff			
		Forfeiture		Inmate
For the year ended September 30, 2023		Fund	We	elfare Trust
Additions				
Clerk of circuit and county courts collections	\$	-	\$	-
Tax collections and fees				
for other governments		-		-
Collections for others		21,013		201,320
Total additions		21,013		201,320
Deductions				
Current				
Payments of clerk of circuit and county courts				
collections to other governments		-		-
Payments of tax and fees				
to other governments		-		-
Payments to others		1,310		199,137
Tatal daduations		1 210		100 127
Total deductions		1,310		199,137
Net increase (decrease) in fiduciary net position		19,703		2,183
Net position, beginning of year		63,962		8,757
Net position, end of year	\$	83,665	\$	10,940

Tax Collector					
Escrow		Tag	Тах	Tota	
\$	-	\$-	\$-	\$	7,021,596
	249,012 -	6,389,859 -	20,433,788		27,072,659 222,333
	249,012	6,389,859	20,433,788		34,316,588
	-	-	-		7,021,596
	249,012 -	6,389,859 -	20,433,788 -		27,072,659 200,447
	249,012	6,389,859	20,433,788		34,294,702
	-	-	-		21,886
	-	-	-		72,719
 \$	-	\$ -	\$-	\$	94,605



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#### 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 Board of County Commissioners and Constitutional Officers of Washington County, Florida Chipley, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Washington County, Florida (the "County") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Washington County, Florida's basic financial statements, and have issued our report thereon dated June 28, 2024.

#### **Report on Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 were not identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item BCC2022-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items PA2003-003, SOE2003-003, and TC2003-003 to be significant deficiencies.

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### Washington County's Response to Findings

*Government Auditing Standards* require the auditor to perform limited procedures on Washington County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

#### 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.

arr, Riggs ! Ungram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama June 28, 2024



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#### 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 FLORIDA AUDITOR GENERAL

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

#### Report on Compliance for Each Major Federal Program and State Project

#### **Opinion on Each Major Federal Program and State Project**

We have audited Washington County, Florida's (the "County") compliance with the types of compliance requirements identified as subject to audit described in the *OMB Compliance Supplement* and the requirements described in the *State of Florida's Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2023. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 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 *Rules of the Florida Auditor General for Local Government Entity Audits* (Chapter 10.550). 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 the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state projects. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

#### **Responsibilities of Management**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs and state projects.

#### Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 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 the Board'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, 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 the Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control over Compliance**

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 with a type of compliance 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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. Accordingly, this report is not suitable for any other purpose.

Carr, Riggr & Ungram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama June 28, 2024

## Washington County, Florida Schedule of Expenditures of Federal Awards and State Financial Assistance For the Year Ended September 30, 2023

Federal Agency Pass through entity Federal Program	Assistance Listing / CSFA Number	Contract/Grant Number	Payments to Subrecipients	Total Expenditures
United States Department of Treasury				
Direct award				
COVID 19 - Coronavirus State and Local Fiscal Recovery	21.027	N/A	\$-	\$ 1,018,643
United States Department of Homeland Security				
Passed through Department of Community Affairs and Florida Division				
of Emergency Management				
Emergency Management Performance Grants (EMPG)	97.042	G-0038	-	43,343
Staffing for Adequate Fire and Emergency Response	97.083	N/A	-	30,452
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
FEMA HGMP-DR-4177-14-R	97.036	Z0843	-	24,841,708
COVID 19 - FEMA Emergency Protective Measures	97.036	Z2595	-	766,121
Subtotal for ALN 97.036			-	25,607,829
Total United States Department of Homeland Security			-	25,681,624
United States Department of Justice				
Support for Adam Walsh Act Implementation Grant Program	16.750	2020-AW-BX-0044	-	60,779
Passed through Executive Office of the Governor				
		VOCA-2022- WASHINGTONCOUNTYSHERIFF		
Crime Victim Assistance (VOCA)	16.575	-00526	-	37,095
	10.075			37,000
Edward Byrne Memorial Justice Assistance Grants	16.738	15PBJA-21-GG-00241-MUMU	-	17,375
Edward Byrne Memorial Justice Assistance Grants	16.738	15PBJA-22-GG-00656-MUMU	-	38,658
Subtotal for ALN 16.738			-	56,033
Total United States Department of Justice			-	153,907
United States Department of Transportation				
Passed through Florida Department of Transportation				
Highway Safety Cluster				
State and Community Highway Safety	20.600	RS-2022-00275	-	55
				Continued

-Continued-

See independent auditor's report and notes to schedule of expenditures of federal awards and state financial assistance

## Washington County, Florida Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued) For the Year Ended September 30, 2023

Federal Agency Pass through entity Federal Program	Assistance Listing / CSFA Number	Contract/Grant Number	Payments to Subrecipients	Total Expenditures
United States Department of Health and Human Services				
Passed through Florida Department of Revenue				
Child Support Enforcement Progrram Title IV Part D (CSE)	93.563	CST67	-	269,745
Election Assistance Commission				
Passed through Florida Department of State				
HAVA Election Security Grants	90.404	1E066	-	54,029
United States Department of Agriculture				
Cooperative Forestry Assistance Program - Fire Services				
Services	10.664	N/A	-	78,253
Total Expenditures of Federal Awards			\$-	\$ 27,256,256
Florida Department of Transportation				
Local Transportation Projects	55.039	449312-1-54-01	\$-	\$ 49,481
Small County Road Assistance Program (SCRAP) -	55.016	446701-1-54-01	-	949,489
Orange Hill & South Blvd				
Small County Road Assistance Program (SCRAP) -	55.016	448616-1-34-01	-	298,935
Douglas Ferry Road Total for CSFA 55.016				1,248,424
			-	1,240,424
Small County Outreach Program (SCOP) - Brickyard Road	55.009	438135-4-58-01	-	12,500
Small County Outreach Program (SCOP) - Crystal Lake Road	55.009	447328-3-54-01	-	14,040
Small County Outreach Program (SCOP) - Sunday Road	55.009	446574-1-54-01	-	1,638,469
Total for CSFA 55.009			-	1,665,009
Total Florida Department of Transportation			-	2,962,914
Executive Office of the Governor				
Emergency Management Preparedness Assistance (EMPA)	31.063	A0264	-	94,021
				-Continued-

## See independent auditor's report and notes to schedule of expenditures of federal awards and state financial assistance

## Washington County, Florida Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued) For the Year Ended September 30, 2023

State Financial Assistance State Program	Assistance Listing / CSFA Number	Contract/Grant Number	Payments to Subrecipients	Total Expenditures
	Humber	indinise.	oublecipients	Experiance
Florida Department of Economic Opportunity				
Division of Housing and Community Development	40.038	DL003	-	8,740
Florida Housing Finance Corporation				
State Housing Initiatives Partnership Program (SHIP)	40.901	N/A	-	564,180
Florida Department of Environmental Protection				
Statewide Surface Water Restoration and Wastewater Projects	37.039	23-009	-	50,000
Small County Consolidated Grants	37.012	SC-332	-	93,750
Total Florida Department of Environmental Protection			-	143,750
Florida Department of State and Secretary of State				
Historical Preservation Grants	45.031	23.h.sm.300.134	-	18,500
State Aid to Libraries	45.030	23-ST-91	-	257,372
Total Florida Department of State and Secretary of State			-	275,872
Florida Department of Law Enforcement				
Law Enforcement Assistance for Fiscally Constrained Counties	71.067	7G043	-	550,829
Florida Department of Management Services				
Wireless 911 Emergency Telephone System Rural County Grant	72.001	21-02-71	-	34,000
Wireless 911 Emergency Telephone System Rural County Grant	72.001	22-11-08	-	36,726
Wireless 911 Emergency Telephone System Rural County Grant	72.001	22-11-09	-	4,517
Wireless 911 Emergency Telephone System Rural County Grant	72.001	21-12-16	-	22,216
Total for CSFA 72.001/Florida Department of Management Services			-	97,459
Florida Department of Agriculture and Consumer Services				
Mosquito Control	42.003	26499	-	38,893
Agriculture Education and Promotion Facility Grant	42.047	28889	-	19,200
Total Florida Department of Agriculture and Consumer Services			-	58,093
Total Expenditures of State Financial Assistance			\$-	\$ 4,755,858

## Washington County, Florida Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

#### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Presentation**

The accompanying schedule of expenditures of federal awards and state financial assistance (Schedule) includes the federal and state grant spending of Washington County, Florida (the "County") and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in preparation of, the basic financial statements. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not represent the financial position of the County.

#### Note 2: INDIRECT COST RATE

The Uniform Guidance allows an organization to elect a 10% de minimis indirect cost rate. For the year ended September 30, 2023, the County did not elect to use this rate.

#### Note 3: LOANS AND LOAN GUARANTEES

The County did not have any loans or loan guarantee programs required to be reported on the Schedule for the fiscal year ended September 30, 2023.

#### Note 4: FEDERAL AND STATE PASS-THROUGH FUNDS

The County is also a sub-recipient of federal and state funds that have been subjected to testing and are reported as expenditures and listed as federal or state pass-through funds. Federal awards and state financial assistance other than those indicated as "pass-through" are considered direct.

#### NOTE 5: SUBRECIPIENTS

During the year ended September 30, 2023, the County had no subrecipients.

#### Note 6: NONCASH ASSISTANCE

The County did not receive any noncash assistance or federally funded insurance during the fiscal year ended September 30, 2023.

## Washington County, Florida Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

#### Note 7: CONTINGENCIES

Grant monies received and disbursed by the County are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the County does not believe that such disallowance, if any, would have a material effect on the financial position of the County.

# Washington County, Florida Schedule of Findings and Questioned Costs

#### SECTION I – SUMMARY OF AUDITOR'S RESULTS

#### Financial Statements:

1.	Type of auditor's report issued	Unmodified
2.	Internal control over financial reporting:	
	a. Material weaknesses identified?	Yes
	b. Significant deficiencies identified?	Yes
	c. Noncompliance material to the financial statements noted?	No
Federa	l Awards:	
1.	Type of auditor's report issued on compliance for major programs	Unmodified
2.	Internal control over major programs:	
	a. Material weaknesses identified?	Yes
	b. Significant deficiencies identified?	None noted
3.	Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)?	Yes

#### 4. Identification of major programs:

AL Number	Federal Program
21.027	COVID 19 – Coronavirus
	State and Local Fiscal Recovery
97.036	Disaster Grants –
	Public Assistance (Presidentially Declared Disasters)

- 5. Dollar threshold used to distinguish between type A and type B programs: \$817,688
- 6. Auditee qualified as low-risk auditee under 2 CFR 200.520? No

## Washington County, Florida Schedule of Findings and Questioned Costs (Continued)

#### SECTION I – SUMMARY OF AUDITOR'S RESULTS (Continued)

State Financial Assistance:

1.	Type of auditor's report issued on compliance for major projects Unmodified		
2.	Internal control over major projects:		
	a. Material weaknesses identified?		No
	b. Significant deficiencies identified?		None noted
3.	<ol> <li>Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, Rules of the Auditor General?</li> <li>None note</li> </ol>		
4.	Identification of major projects:		
	<u>CSFA Number</u> 55.009 55.016	<u>State Project</u> Small County Outreach Program (SC Small County Road Assistance Program	•
5.	Dollar threshold used to distinguish betw	ween type A and type B projects:	\$750,000

#### SECTION II – FINANCIAL STATEMENT FINDINGS

#### ACCRUAL ACCOUNTING, FINDING BCC2022-001 (Repeat)

**CRITERIA:** Generally accepted accounting standards (GAAP) for governmental entities requires that governmental funds prepare financial statements using the current financial resources measurement focus and the modified accrual basis of accounting. Accounting for all funds necessitates significant adjustments to the County's books of record in order to prepare financial statements in conformity with GAAP.

**CONDITION:** Material adjustments were required to grant receivables, deferrals, and payables.

**CAUSE:** Management did not adequately review asset and liability balances for some accounts at year-end.

**EFFECT**: Revenue and expenditures were not recorded when earned or incurred. Adversely affects the County's ability to prepare financial statements free of misstatements and in accordance with GAAP.

**RECOMMENDATION**: We recommend interim and year-end financial statements be prepared using the modified accrual basis of accounting.

## Washington County, Florida Schedule of Findings and Questioned Costs (Continued)

#### SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)

**VIEW OF RESPONSIBLE OFFICIALS:** Management agrees with the finding. The County is currently addressing this recommendation and will work to implement additional controls to ensure accounting is in accordance with GAAP.

#### NEED FOR SEGREGATION OF DUTIES, PA2003-003 (Repeat)

**CRITERIA:** The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

**CONDITION:** There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of the Property Appraiser's assets.

**CAUSE:** The Property Appraiser has limited personnel in the accounting department.

**EFFECT:** The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

**RECOMMENDATION:** We realize that due to the size of the Property Appraiser's administrative staff, it is difficult to achieve ideal separation of duties. However, the Property Appraiser should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

**VIEW OF RESPONSIBLE OFFICIALS:** Management agrees with the finding.

#### NEED FOR SEGREGATION OF DUTIES, SOE 2003-003 (Repeat)

**CRITERIA:** The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

**CONDITION:** There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of the Supervisor of Elections' assets.

**CAUSE:** The Supervisor of Elections has limited personnel in the accounting department.

**EFFECT:** The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

**RECOMMENDATION:** We realize that due to the size of the Supervisor of Elections' administrative staff, it is difficult to achieve ideal separation of duties. However, the Supervisor of Elections should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

# Washington County, Florida Schedule of Findings and Questioned Costs (Continued)

#### **SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)**

**VIEW OF RESPONSIBLE OFFICIALS:** Management agrees with the finding.

#### NEED FOR SEGREGATION OF DUTIES, TC2003-003 (Repeat)

**CRITERIA:** The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

**CONDITION:** There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees who have custody of the Tax Collector's assets.

**CAUSE:** The Tax Collector has limited personnel in the accounting department.

**EFFECT:** The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

**RECOMMENDATION:** We realize that due to the size of the Tax Collector's administrative staff, it is difficult to achieve ideal separation of duties. However, the Tax Collector should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

**VIEW OF RESPONSIBLE OFFICIALS:** Management agrees with the finding.

#### SECTION III – FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS

#### Item 2023-001 – Suspension and Debarment (Repeat) COVID-19 Coronavirus State and Local Fiscal Recovery – ALN # 21.027 U.S. Department of Treasury Federal Award Year - 2021

**Criteria** – 2 CFR 200.303 requires the non-Federal entity to "(a) establish and maintain effective internal controls over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal statutes, regulations, and the terms and conditions of the Federal award." Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All nonprocurement transactions entered into by a recipient (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

## Washington County, Florida Schedule of Findings and Questioned Costs (Continued)

#### SECTION III – FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS (Continued)

**Condition** – Adequate controls were not in place to provide for proper review of covered transactions for suspension and debarment. Covered transactions, over \$25,000 paid with grant funding were not reviewed for suspension and debarment.

**Cause** – The County lacked sufficient controls to ensure evidence of compliance with suspension and debarment.

**Questioned Costs** – Not determinable.

**Effect** – Failure to properly verify that a potential vendor has not been suspended or debarred could result in unallowable expenditures and disallowed costs.

**Recommendation** – We recommend that controls should be put into place to better monitor and document the compliance of vendors for suspension and debarment.

**Management's Response** – Management agrees with the finding. The County will implement additional controls to ensure there is evidence of review of covered transactions over \$25,000 for suspension and debarment prior to payment. Deputy Clerk, Finance will be responsible for the corrective action and anticipates completion of corrective action will be taken before September 30, 2024.

## Washington County, Florida Summary Schedule of Prior Audit Findings

#### SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS

#### FINANCIAL STATEMENT FINDINGS

- BCC2022-001 Repeat finding in the current year
- PA 2003-003 Repeat finding in the current year
- SOE 2003-003 Repeat finding in the current year
- TC2003-003 Repeat finding in the current year

#### Item 2022-001 – Repeat finding in the current year

## Washington County, Florida Corrective Action Plan For the Year Ended September 30, 2023



### WASHINGTON COUNTY BOARD OF COUNTY COMMISSIONERS

1331 South Boulevard Chipley, Florida 32428 Phone (850)638-6200 Fax (850)638-6106 ALAN T BUSH District One

DAVID PETTIS, JR. District Two

TRAY HAWKINS District Three

WESLEY GRIFFIN District Four

DAVID A CORBIN District Five

FUQUA & MILTON County Attorneys

#### **Single Audit Findings**

Item 2023-001 – Suspension & Debarment

Contact person: Johnnie Pettis, Deputy Clerk

**Finding** – Adequate controls were not in place to provide for proper review of covered transactions for suspension and debarment. Covered transactions, over \$25,000 paid with grant funding were not reviewed for suspension and debarment.

**Management Response** – The County will implement additional controls to ensure there is evidence of review of covered transactions over \$25,000 for suspension and debarment prior to payment. Johnnie Pettis, Deputy Clerk will be responsible for the corrective action and anticipates completion of corrective action will be taken before September 30, 2024.

Effective date of completion: within the fiscal ending September 30, 2024

Respectfully submitted,

Honorable Lora C. Bell, Clerk of Court Washington County, Florida



**Carr, Riggs & Ingram, LLC** 1117 Boll Weevil Circle Enterprise, AL 36330

Mailing Address: PO Box 311070 Enterprise, AL 36331

334.347.0088 334.347.7650 (fax) CRIcpa.com

#### MANAGEMENT LETTER

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

#### **Report on the Financial Statements**

We have audited the financial statements of Washington County, Florida (the "County") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated June 28, 2024.

#### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations,* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

#### **Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and Report on Internal Control over Compliance, Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 28,2024, should be considered in conjunction with this management letter.

#### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report except as noted under the heading "Schedule of Findings and Questioned Costs."

#### **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and report the results of our determination as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures to the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

#### Special District Component Units

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Sunny Hills Units 12-15 Dependent District reported:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year was 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year was 3.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$17,977.
- e. No construction projects with a total cost of at least \$65,000 were approved by the district that is scheduled to begin on or after October 1 of the fiscal year.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes. The district did not amend their budget, this is not applicable.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Highway 79 Corridor Authority reported:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year was 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year was 6.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$61,962.
- e. No construction projects with a total cost of at least \$65,000 were approved by the district that is scheduled to begin on or after October 1 of the fiscal year.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes. The district did not amend their budget, this is not applicable.

#### **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 charges with governance. No such instances were noted.

#### Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of County Commissioners and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

arr, Riggs & Chopan, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama June 28, 2024



**Carr, Riggs & Ingram, LLC** 1117 Boll Weevil Circle Enterprise, AL 36330

Mailing Address: PO Box 311070 Enterprise, AL 36331

334.347.0088 334.347.7650 (fax) CRIcpa.com

## INDEPENDENT ACCOUNTANT'S REPORT ON EXAMINATION OF COMPLIANCE WITH SPECIFIED FLORIDA STATUTE SECTIONS

Honorable Members of the Board of County Commissioners Washington County, Florida

We have examined Washington County, Florida's (the "County") compliance with the following Florida Statute sections during the fiscal year ended September 30, 2023.

Section 365.172(10)	Emergency communications number E911 system fund
Section 365.173(2)(d)	Emergency communications number E911 system fund
Section 218.415	Investment guidelines

Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

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

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

Carr, Riggs & Ungram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama June 28, 2024



#### WASHINGTON COUNTY **BOARD OF COUNTY COMMISSIONERS**

1331 South Boulevard Chipley, Florida 32428 Phone (850)638-6200 Fax (850)638-6106

DAVID PETTIS, JR.

**County Administrator** Allen J. Massey

**Single Audit Findings** 

Item 2022-001 - Suspension & Debarment

Contact person: Johnnie Pettis, Finance Director

Finding - Adequate controls were not in place to provide for proper review of covered transactions for suspension and debarment. Covered transactions, over \$25,000 paid with grant funding were not reviewed for suspension and debarment.

Management Response - The County has implemented additional controls to ensure there is evidence of review of covered transactions over \$25,000 for suspension and debarment prior to payment. Corrective measures have been taken.

Item BCC2022-001 - Accrual Accounting

Contact Person: Johnnie Pettis, Finance Director

The County has addressed this recommendation and implemented additional controls to ensure that accounting methods are in accordance with GAAP.

ALAN T BUSH District One

District Two TRAY HAWKINS

WESLEY GRIFFIN **District** Four

**District Three** 

DAVID A CORBIN District Five

FUQUA & MILTON County Attorney



#### GIL CARTER, CFA WASHINGTON COUNTY PROPERTY APPRAISER

1331 South Blvd., Suite 300 P. O. Box 695 Chipley, FL 32428



Phone: (850) 638-6205

June 25, 2024

Carr, Riggs & Ingram 4267 Lafayette St Marianna, FL 32446

To Whom it May Concern:

We are in receipt of the Washington County Property Appraiser's audit report for the fiscal year ended September 30, 2023. In response to the internal control and compliance the following applies:

Segregation of Duties – I will continue to remain active in the day-to-day operations of the Property Appraiser's Office. This is a small office with employees who have overlapping duties. I will continue to ensure there are checks and balances in the daily work and the ledger is balanced on a monthly basis.

If I can be of further assistance please contact me at 850-638-6205.

Sincerely,

Gil Carter, CFA Washington County Property Appraiser



#### **Deidra Malloy Pettis**

Supervisor of Elections Washington County

www.wcsoe.gov

Mailing Address 1424 Jackson Ave., Suite C Chipley, Florida 32428

> Telephone No. (850)638-6230

Fax No. (850)397-4564

To Whom It May Concern:

Subject: Management Response

We are in receipt of the audit report for the Washington County, Florida Supervisor of Elections for the fiscal year ending September 2023. I have reviewed the letter regarding compliance and internal control schedule of findings and questioned costs and management letter:

Segregation of Duties: This is a small office with employees who have overlapping job duties. I will continue to ensure there are checks and balances in the daily work and the ledger is fully balanced on a monthly basis.

Timeliness of Reporting: We utilized the assistance of a third-party CPA during the current year to assist us with the finalization of our accounting records for the year. This led to some delays in reporting our annual financial statement amounts. We will continue to strive to expedite this review and reporting.

Sincerely,

Deidra Malloy Pettis Supervisor of Elections Washington County, Florida



<u>Main Office Hours</u> Monday - Friday 8:00am - 4:00pm Ph: (850) 638-6275 Fx: (850) 638-6067

Drivers License Hours Monday - Friday 8:00am - 4:00pm Ph: (850) 638-6284

June 25, 2024

To Whom It May Concern:

I am in receipt of the audit report for the Washington County, Florida, Tax Collector for the fiscal year ending September 30, 2023. I have reviewed the letter regarding compliance and internal control, the schedule of findings and questioned costs and the management letter. Concerning the items noted, the following apply:

 Segregation of Duties: I will continue to remain active in the day-to-day operations of the Tax Collector's Office. This is a small office with employees who have overlapping duties. I will continue to ensure there are checks and balances in the daily work and the ledger is balanced on monthly basis.

If I can be of any further assistance, please let me know.

Respectfully,

en

Ken Naker, CFC Tax Collector