HARDEE COUNTY, FLORIDA

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED SEPTEMBER 30, 2023



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HARDEE COUNTY, FLORIDA
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	17
STATEMENT OF ACTIVITIES	18
FUND FINANCIAL STATEMENTS	
BALANCE SHEET — GOVERNMENTAL FUNDS	18
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — GOVERNMENTAL FUNDS	21
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	22
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — GENERAL FUND	23
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — TRANSPORTATION TRUST FUND	24
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — FIRE CONTROL FUND	25
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — GRANTS FUND	26
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — EMERGENCY DISASTER FUND	27
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — ECONOMIC DEVELOPMENT AUTHORITY FUND	28
STATEMENT OF NET POSITION — PROPRIETARY FUNDS	29
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION — PROPRIETARY FUNDS	31
STATEMENT OF CASH FLOWS — PROPRIETARY FUNDS	32
STATEMENT OF FIDUCIARY NET POSITION — FIDUCIARY FUNDS	34
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION — FIDUCIARY FUNDS	35
NOTES TO FINANCIAL STATEMENTS	36

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS — COUNTY GROUP HEALTH PLAN 79

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY — FLORIDA RETIREMENT SYSTEM PENSION PLAN 80

SCHEDULE OF THE COUNTY CONTRIBUTIONS — FLORIDA RETIREMENT SYSTEM PENSION PLAN 81

SCHEDULE OF THE COUNTY PROPORTIONATE SHARE OF THE NET PENSION LIABILITY — HEALTH INSURANCE SUBSIDIARY PENSION PLAN 82

SCHEDULE OF THE COUNTY CONTRIBUTIONS — HEALTH INSURANCE SUBSIDIARY PENSION PLAN 83

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION 84

COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS 86

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — NONMAJOR GOVERNMENTAL FUNDS 89

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — FINES AND FORFEITURES FUND 92

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — LAW ENFORCEMENT TRUST FUND 93

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — CLERK'S FINE AND FORFEITURE FUND 94

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — E-911 FUND 95

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — MINING FUND 96

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — TOURIST DEVELOPMENT FUND 97

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — CLERK'S PUBLIC RECORDS MODERNIZATION TRUST 98

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — CLERK'S CHILD SUPPORT IV-D FUND 99

COMBINING STATEMENT OF FIDUCIARY NET POSITION — FIDUCIARY FUNDS – CUSTODIAL FUNDS 100

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS 102

SUPPLEMENTAL INFORMATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE 104

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE 106

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* 107

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA 109

SCHEDULE OF FINDINGS AND QUESTIONED COSTS 112

MANAGEMENT LETTER 119

SCHEDULE OF FINDINGS AND RESPONSES 121

INDEPENDENT ACCOUNTANTS' REPORT 122

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INDEPENDENT AUDITORS' REPORT

Honorable Board of County Commissioners
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hardee 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Transportation Trust Fund, Fire Control Fund, Grants Fund, Emergency Disaster Fund, and Economic Development Authority Fund 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 Hardee County Industrial Development Authority (the Authority), which represent 100% percent, of the assets, net position, and revenues of the discretely presented component unit 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 Authority, 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 (GAAS) 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 Auditors' 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.

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Emphasis of Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective October 1, 2022, the County adopted new accounting guidance for Subscription-Based Information Technology Arrangements (SBITA). The guidance requires a government to recognize a right-to-use SBITA asset and a corresponding SBITA liability for all SBITAs with subscription terms greater than twelve months. Our opinions are not modified with respect to this matter.

Emphasis of Matter – Restatement of Beginning Balance

As discussed in Note 17 to the financial statements, the County restated beginning balances to correct an accounting error that occurred in a prior year. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

Auditors' 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 auditors' 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 GAAS 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 GAAS 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

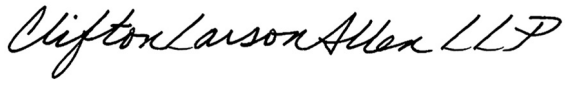
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, information on other postemployment benefits, and information on pension benefits be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 fund financial statements and schedules and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and Chapter 10.550*, Local Government Entity Audits*, Rules of the Auditor General of the State of Florida, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS by us and other auditors. In our opinion, the combining and individual fund financial statements and schedules and 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 dated June 24, 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 County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
June 24, 2024

Hardee County Management hereby provides a narrative overview and analysis of Hardee County, Florida's (the County) financial activities for fiscal year ended September 30, 2023. This report provides comparative data for fiscal years 2023 and 2022.

Financial Highlights

Significant financial highlights for fiscal year 2023 are as follows:

- Total assets and deferred outflows of resources of the County exceeded total liabilities and deferred inflows of resources by $71.89 million. Of this amount, $67.75 million was invested in capital assets, net of related debt; $16.73 million was restricted for various purposes; and unrestricted net deficit was $12.59 million.
- The total net position was $4.98 million less than the previous years' net position.
- The County's total liabilities increased by $5.87 million or 14.3% from the previous year.
- As of September 30, 2023, the combined total governmental funds' fund balance reflected a balance of $33.67 million, a decrease of 1.2% from the previous year.
- The County's total unassigned fund balance was $14.45 million.

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: government-wide financial statements; fund financial statements; and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The statements include the statement of net position and the statement of activities.

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both the statement of net position and the statement of activities distinguish between the functions that are supported by governmental activities and business-type activities. Governmental activities are primarily supported by property taxes, charges for services, fuel taxes, sales taxes, and grants. Business-type activities are supported by charges to the users of those activities, such as water and sewer service charges, and landfill tipping fees. The governmental activities of the County include general government, public safety, transportation, human services, culture and recreation, physical environment, and economic environment. The business-type activities of the County include water, wastewater, and solid waste.

The government-wide financial statements are listed in the table of contents.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure compliance with finance-related legal requirements. Fund financial statements present financial information for governmental funds, proprietary funds, and fiduciary funds.

The ***Governmental Fund Financial Statements*** provide information on the current assets, deferred inflows of resources, and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources. Governmental funds are used to account for the same functions as reported in the governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Hardee County has 20 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Transportation Trust Fund, Fire Control Fund, Grants Fund, Emergency Disaster Fund, and Economic Development Authority Fund. Data from the other governmental special revenue funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental special revenue funds is provided in the form of combining statements within the report. To demonstrate compliance with the Board of County Commissioners' adopted budget, a budgetary comparison statement has been provided for the General Fund and other major governmental special revenue funds.

The basic governmental fund financial statements are listed in the table of contents.

The ***Proprietary Funds Financial Statements*** provide information on all assets and liabilities of the funds, changes in the economic resources (revenues and expenses), and total economic resources. An enterprise fund is a type of proprietary fund. The County maintains three enterprise funds to account for its water, wastewater, and solid waste operations. Proprietary funds provide the same type of information as the government-wide financial statements for business-type activities, only in more detail.

The basic proprietary fund financial statement are listed in the table of contents.

The ***Fiduciary Funds Financial Statements*** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds financial statement are listed in the table of contents.

Notes to the Financial Statements

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

Government-Wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of a government's financial position. In our case, the County's total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $71.89 million at the close of the most recent fiscal year. The following schedule provides a summary of assets, liabilities, and net position of the County.

Hardee County's Net Position

The largest portion of the County's net position (94.24%) reflects its investment in capital assets, (e.g., land, buildings and improvements, machinery and equipment, infrastructure, and right-to-use leased equipment) less any related debt used to acquire those assets that remain outstanding. These assets are used to provide services to citizens and are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Overall, the County's net position decreased by $4.98 million.

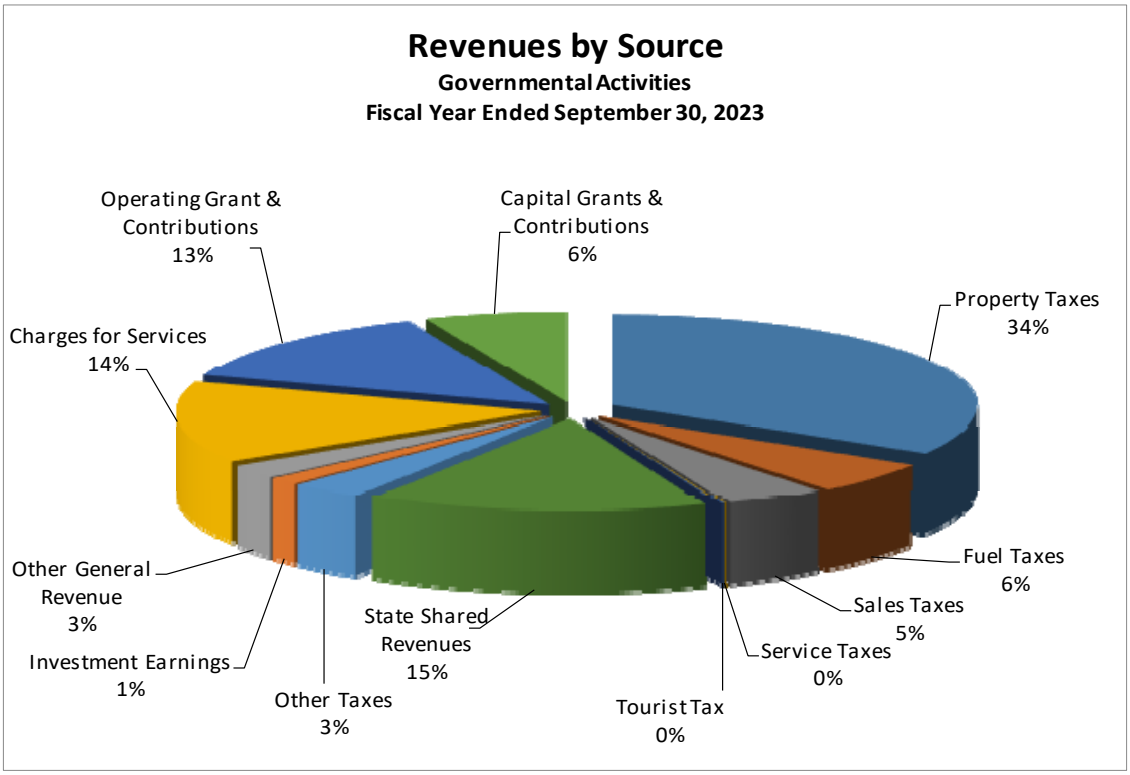
Hardee County's Net Position

	Governmental Activities		Business-Type Activities		Total	
	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Current and Other Assets	$ 40,579,970	$ 37,957,820	$ 5,403,125	$ 5,732,646	$ 45,983,095	$ 43,690,466
Capital Assets	49,781,158	51,683,424	19,416,017	18,627,584	69,197,175	70,311,008
Total Assets	90,361,128	89,641,244	24,819,142	24,360,230	115,180,270	114,001,474
Deferred Outflows of Resources	6,578,826	7,872,485	188,377	208,759	6,767,203	8,081,244
Current Liabilities	3,244,168	2,733,811	427,488	447,915	3,671,656	3,181,726
Noncurrent Liabilities	28,841,236	34,755,383	8,565,558	9,007,962	37,406,794	43,763,345
Total Liabilities	32,085,404	37,489,194	8,993,046	9,455,877	41,078,450	46,945,071
Deferred Inflows of Resources	3,891,230	3,124,733	140,415	119,713	4,031,645	3,244,446
Net Position:						
Net Investment in Capital Assets	49,190,280	51,292,098	16,983,243	16,461,758	66,173,523	67,753,856
Restricted	15,770,499	16,732,828	-	-	15,770,499	16,732,828
Unrestricted	(3,997,459)	(11,125,124)	(1,109,185)	(1,468,359)	(5,106,644)	(12,593,483)
Total Net Position	$ 60,963,320	$ 56,899,802	$ 15,874,058	$ 14,993,399	$ 76,837,378	$ 71,893,201

Hardee County's Changes in Net Position

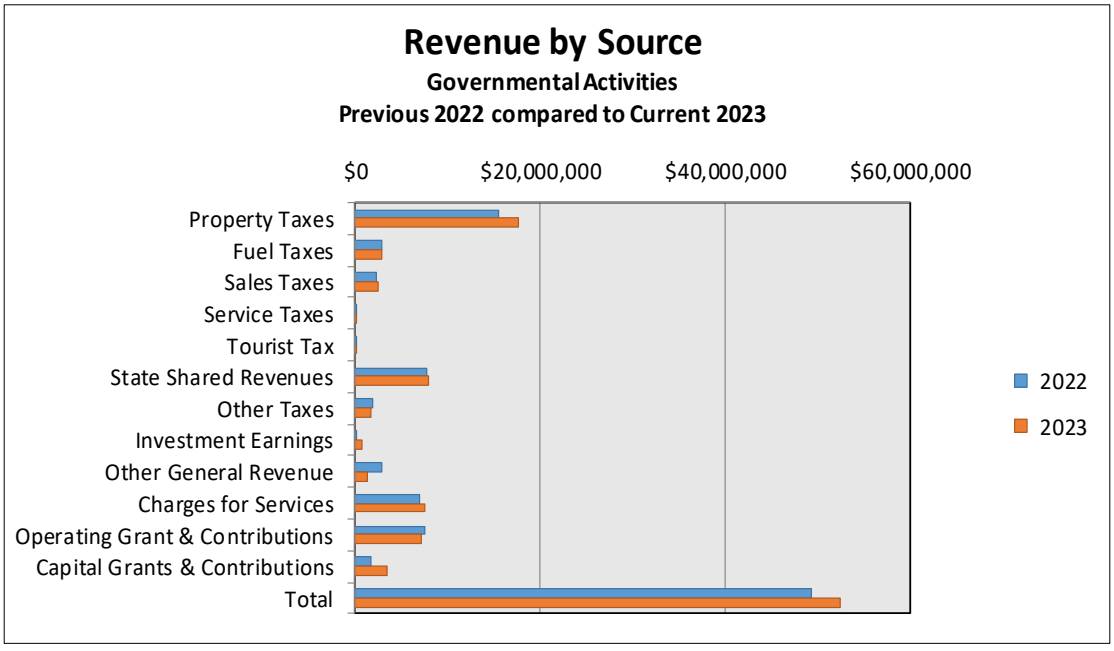
	Governmental Activities		Business-Type Activities		Total	
	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
REVENUES						
Program Revenues:						
Charges for Services	$ 6,878,800	$ 7,455,620	$ 3,364,423	$ 3,758,981	$ 10,243,223	$ 11,214,601
Operating Grants and Contributions	7,534,562	7,037,857	109,108	109,624	7,643,670	7,147,481
Capital Grants and Contributions	1,621,513	3,324,844	360,037	316,181	1,981,550	3,641,025
General Revenues:						
Property Taxes	15,557,804	17,680,730	-	-	15,557,804	17,680,730
Other Taxes	7,149,687	7,039,916	-	-	7,149,687	7,039,916
State Shared Revenue	7,693,951	7,948,113	-	-	7,693,951	7,948,113
Other	2,977,978	2,527,052	92,626	110,552	3,070,604	2,637,604
Total Revenues	49,414,295	53,014,132	3,926,194	4,295,338	53,340,489	57,309,470
EXPENSES						
General Government	10,376,851	12,658,906	-	-	10,376,851	12,658,906
Public Safety	18,838,848	31,022,298	-	-	18,838,848	31,022,298
Physical Environment	324,925	645,810	-	-	324,925	645,810
Transportation	6,658,588	7,312,633	-	-	6,658,588	7,312,633
Economic Environment	4,508,247	2,157,737	-	-	4,508,247	2,157,737
Human Services	1,007,365	887,830	-	-	1,007,365	887,830
Culture and Recreation	1,581,443	2,469,094	-	-	1,581,443	2,469,094
Debt Service:						
Interest on Long-Term Debt	25,426	18,197	-	-	25,426	18,197
Solid Waste	-	-	2,570,459	3,105,805	2,570,459	3,105,805
Wauchula Hills Wastewater	-	-	1,776,155	1,855,434	1,776,155	1,855,434
Vandolah Wastewater	-	-	133,075	154,070	133,075	154,070
Total Expenses	43,321,693	57,172,505	4,479,689	5,115,309	47,801,382	62,287,814
Change in Net Position Before Transfers	6,092,602	(4,158,373)	(553,495)	(819,971)	5,539,107	(4,978,344)
Transfers	48,201	60,688	(48,201)	(60,688)	-	-
Change in Net Position	6,140,803	(4,097,685)	(601,696)	(880,659)	5,539,107	(4,978,344)
Net Position - Beginning of Year, as Previously Reported	54,822,517	60,963,320	16,475,754	15,874,058	71,298,271	76,837,378
Restatement (See Note 17)	-	34,167	-	-	-	34,167
Net Position - Beginning of Year, as Restated	54,822,517	60,997,487	16,475,754	15,874,058	71,298,271	76,871,545
Net Position - End of Year	$ 60,963,320	$ 56,899,802	$ 15,874,058	$ 14,993,399	$ 76,837,378	$ 71,893,201

The following chart depicts revenues of the governmental activities for the year.

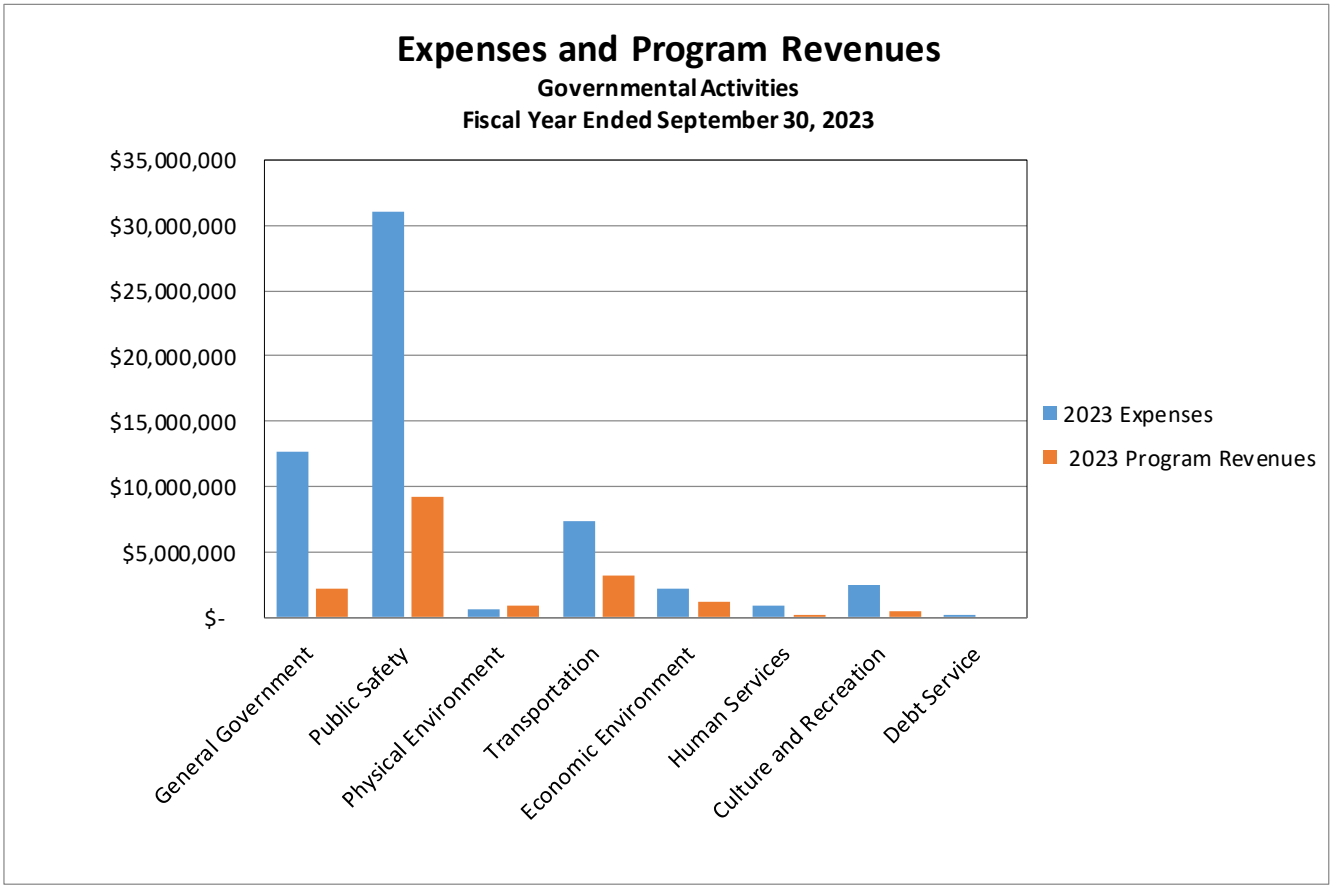


(Any amounts shown as 0% are less than 0.5% of the total revenues.)

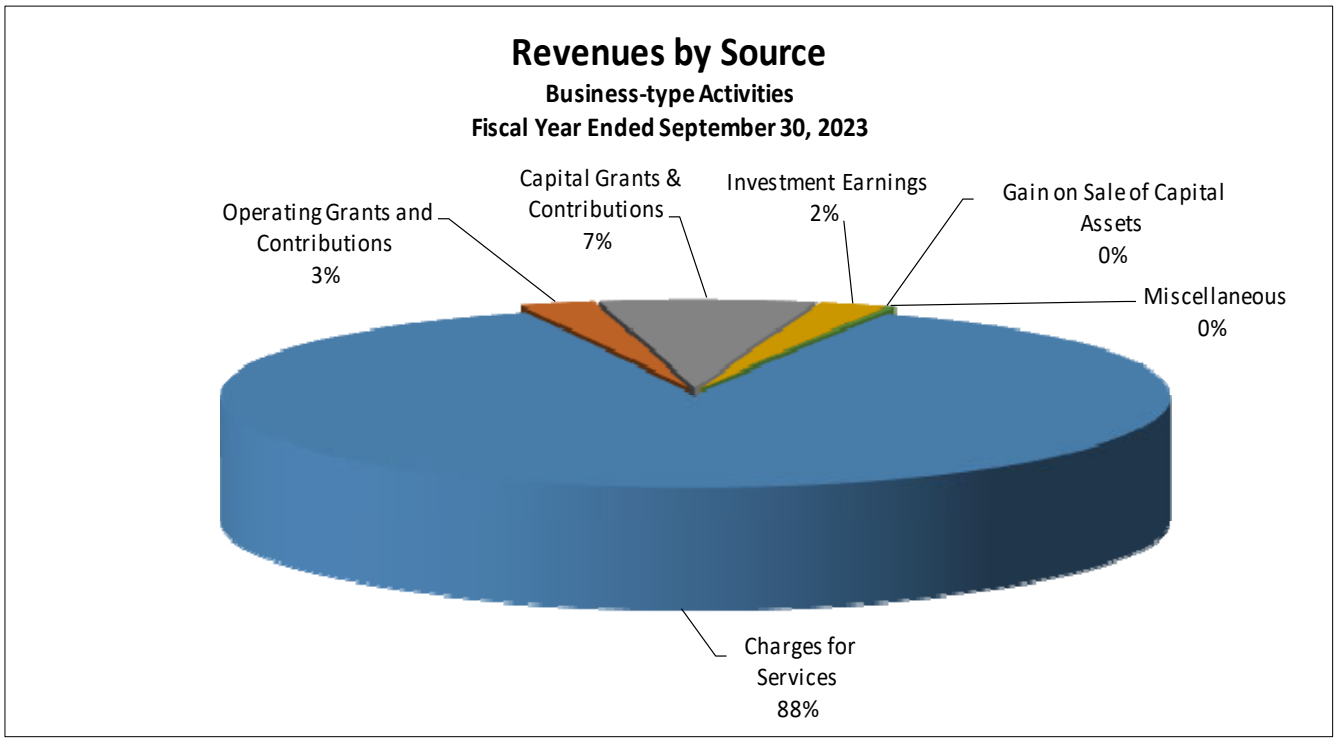
The following chart depicts the major revenue sources as a comparison of fiscal year revenues.



The following chart depicts governmental activity expenses compared to program revenue (e.g., charges for services, operating grants, and contributions), which funded those activities for the fiscal year; the amounts not funded by program revenues were funded by general revenues (e.g., property taxes, state shared revenue, etc.).

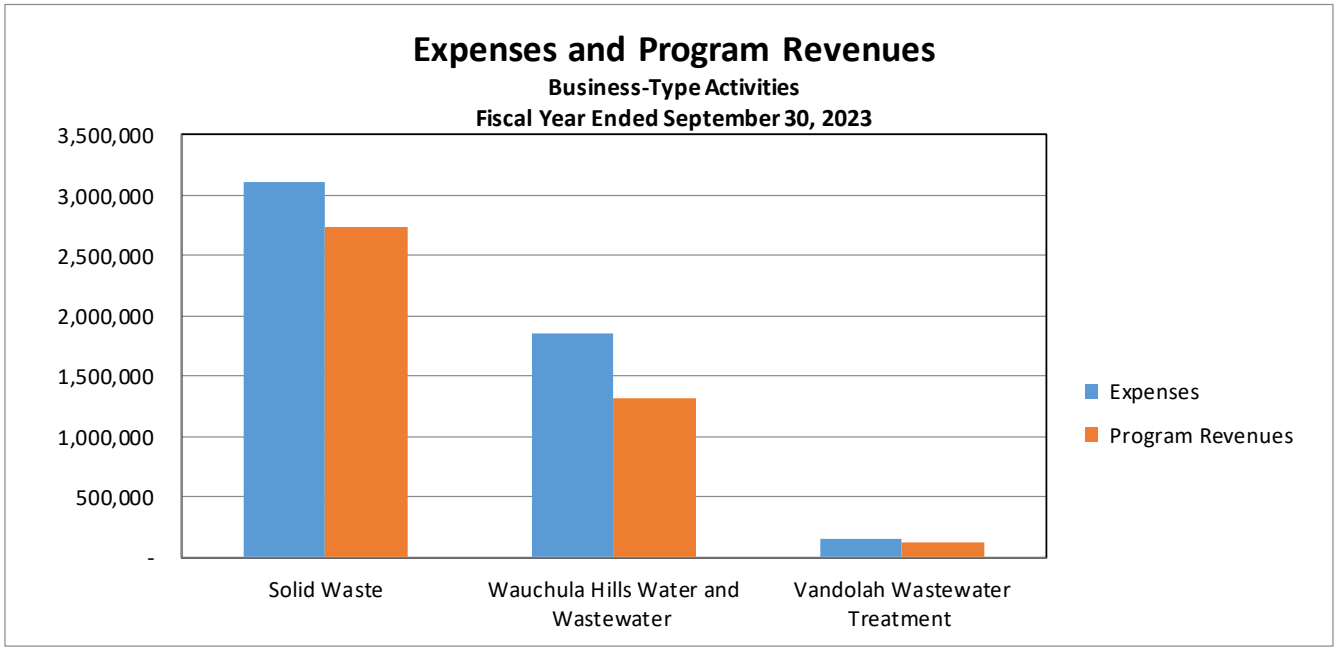


The following chart depicts revenues of the business-type activities for the year:



(Any amounts shown as 0% are less than 0.5% of the total revenues.)

The following chart depicts business-type activities expenses compared to program revenue (e.g., charges for services, operating grants and contributions, capital grants and contributions, etc.), which funded those activities for the fiscal year.



An analysis of the County's "Changes in Net Position" reflects that the overall revenues have increased by $3.97 million. Further analysis shows that the overall increase is attributed to a $369 thousand increase in business-type activities and a $3.60 million increase in governmental type activities. Major factors contributing to the increased revenues in the governmental type activities are as follows:

- A $1.70 million increase in capital grants and contributions related to transportation grant funded projects.
- A $2.12 million increase in property taxes related to the increase in property valuations.

The changes in revenues in the business-type activities are as follows:

- A $395 thousand increase in charges for service primarily related to water and wastewater.

County expenses illustrate an overall increase of $14.49 million. The overall increase was due to an increase in governmental activities of $13.85 million and an increase in the business-type activities of $636 thousand. The increase of the government type activities expenses is due to the following activities below:

- A $12.18 million increase in public safety due to a $7.61 million related to Hurricane Ian debris and repair expenditures, a $2.34 million net effect of pension related changes, and increase in other personnel costs.
- A $2.28 million increase general government due to a $1.19 million net effect of pension related changes and increase in other personnel costs.
- A $654 thousand increase in transportation due to a $335 thousand net effect of pension related changes.
- A $888 thousand increase in culture and recreation due primarily due to the EDA's increase in grant awards for culture and recreation projects.
- A $2.35 million decrease in economic environment primarily due to the EDA's decrease in grant awards for economic development projects.

The increase in expenses of the business-type activities was reflective of the following:

- A $535 thousand increase in Solid Waste due to increases in general and administrative costs, depreciation expense, and the closure and post-closure recognized costs.

Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of Hardee County's governmental funds is to provide information on near-term inflows, outflows, and balances of accessible resources. Such information is useful in assessing the County's financing requirements; in particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $33.67 million. Approximately $4.36 million of the fund balance is restricted within the Transportation Fund, $1.57 million within the Grants Fund, $8.37 million within the Economic Development Authority Fund, and $1.92 million is restricted within the nonmajor governmental funds. Committed fund balances were $1.11 million within the Fire Control Fund and $133 thousand within the nonmajor governmental funds. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $14.45 million, which represents 43% of the total fund balance for all governmental funds. Unassigned fund balances are those dollars which are available for spending at the government's discretion. As a measure of the General Fund's liquidity, General Fund unassigned balance represents 38% of the total general fund expenditures.

Proprietary Funds

Hardee County's proprietary funds provide the same type of information found in the government-wide business-type activities financial statements, but in more detail. Net position of the Solid Waste Fund decreased by $330 thousand and Wauchula Hills Water/Wastewater Treatment Fund decreased by $519 thousand.

Budgetary Highlights

Budget and actual comparison schedules are provided in the Basic Financial Statements for the General fund and all major special revenue funds. Budget and actual comparison schedules are also provided in the combining and individual fund statements and schedules for all nonmajor funds with annually appropriated budgets. The budget and actual comparison schedules show the original adopted budgets, the final revised budget, actual results, and variance between the final budget and actual results for the general and major special revenue funds. After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, new bond or loan proceeds, new grant awards, or other unanticipated revenues.

Difference between original and final amended budget for the General Fund was a $13.67 million increase and included the following:

- The most significant impact to the changes in the budget was an increase in Public Safety of $10.77 million primarily due to Hurricane Ian disaster relief and recovery activities.
- Capital Outlay also increased by $3.10 million due to additional capital asset projects approved during the fiscal year.

Total revenues were $4.76 million under budget. This was primarily due federal and state grant revenues that were budgeted by not able to be recognized during the year.

Total expenditures were $9.50 million under budget. This was primarily due to Public Safety and Capital Outlay expenditures being under budget for disaster recovery and capital projects, respectively, not completed during the fiscal year.

Capital Assets

The County's investments in capital assets for its governmental and business-type activities as of September 30, 2023 were $70.31 million (net of accumulated depreciation).

Hardee County's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
CAPITAL ASSETS	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Land	$ 3,691,552	$ 3,691,552	$ 962,625	$ 962,625	$ 4,654,177	$ 4,654,177
Construction in Progress	1,997,151	1,775,398	1,854,430	413,577	3,851,581	2,188,975
Buildings and Improvements	12,298,005	11,809,824	7,315,141	7,229,142	19,613,146	19,038,966
Machinery and Equipment	7,152,284	7,356,516	1,893,558	1,731,696	9,045,842	9,088,212
Infrastructure	24,551,111	26,941,816	7,387,535	8,289,997	31,938,646	35,231,813
Right-to-Use Leased Equipment	91,055	44,662	2,728	547	93,783	45,209
Subscription-Based Information Technology Arrangements [1]	75,452	63,656	-	-	75,452	63,656
Total Capital Assets	$ 49,856,610	$ 51,683,424	$ 19,416,017	$ 18,627,584	$ 69,272,627	$ 70,311,008

Additional information on the County's capital assets can be found in Note 5 to the financial statements.

Debt Management

As of September 30, 2023, the County had total long-term liabilities outstanding of $43.76 million. Of this amount, $2.08 million is notes payable, $254 thousand is financed purchases, $47 thousand is leases, $61 thousand is SBITAs, $1.18 million is compensated absences, $5.97 million is landfill closure and post closure obligations, $31.99 million is net pension liability, and other postemployment benefits (OPEB) obligations consisted of $2.18 million.

Hardee County's Long-Term Liabilities

	Governmental Activities		Business-Type Activities		Total	
	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Notes Payable	$ -	$ -	$ 2,430,000	$ 2,080,000	$ 2,430,000	$ 2,080,000
Finance Purchases	407,962	253,803	-	-	407,962	253,803
Leases	84,734	46,481	2,774	566	87,508	47,047
SBITAs	75,452	60,957	-	-	75,452	60,957
Compensated Absences	1,157,797	1,176,382	5,287	5,287	1,163,084	1,181,669
Landfill Closure/Post Closure	-	-	5,413,436	5,972,215	5,413,436	5,972,215
Net Pension Liability	25,226,689	31,149,525	619,791	836,447	25,846,480	31,985,972
OPEB Obligations	1,964,054	2,068,235	94,270	113,447	2,058,324	2,181,682
Total	$ 28,916,688	$ 34,755,383	$ 8,565,558	$ 9,007,962	$ 37,482,246	$ 43,763,345

Additional information on Hardee County's long-term debt can be found in Notes 6, 9, and 11 of this report.

Economic Factors and Next Year's Budgets and Rates

Local, national, and international economic factors influence the County's revenues in a variety of ways. Positive economic growth is correlated with increased revenues from property taxes, sales taxes, fuel taxes, charges for services, and state revenue sharing, as well as state and federal grants. Economic growth may be measured by a variety of indicators such as employment growth, employment diversity, unemployment rate, new construction and assessed values, diversity of the property tax base, and Enterprise Fund revenue and net position growth.

The following factors were considered when fiscal year 24 budget was prepared:

- Taxable property values in Hardee County increased from fiscal year 2023 at $2,027,767,381 to $2,387,051,778 for fiscal year 2024. This was an increase in taxable assessed values of over 17 percent, resulting in an estimated $3.1 million in additional revenue.
- The property tax millage rate will remain 8.8000 mills in 2024.
- Hardee County had a 4.2 percent unemployment rate in September 2023, as reported by the Florida Department of Economic Opportunity, Bureau of Workforce Statistics and Economic Research and CareerSource Heartland.
- During fiscal year 2022, the County conducted a salary study to determine competitive employee compensation. This, as well as increased costs in employee benefits, resulted in a 10 percent personnel increase in the County's fiscal year 2022-2023 budget. The personnel budget for 2023-2024 will not show any major increases, however, compression issues will be reviewed.
- The County received approximately $5,000,000 from the American Rescue Plan Act of 2021 to support public health efforts, replace lost public sector revenue, and provide premium pay for essential workers. Identified projects funded by the lost public sector revenue component will carry into the 24 budget and are anticipated to be finished in 24.
- Hurricane Ian, a strong category 4 hurricane, impacted Hardee County on September 28, 2022. The County expensed over $7.8 million dollars in hurricane recovery in FY 2023. The County will continue hurricane mitigation expenses in the 2024 budget. The County expects substantial reimbursement from federal and state agencies for expenditures related to Hurricane Ian in FY24.
- Hardee County has identified the need for capital improvements and was awarded several capital improvement grants that will be reflected in FY24 budget; including the Agricultural Training Building, Emergency Operations Center, Hardee County Sheriff Office Construction Project, and Infrastructure improvements at Pioneer Park.

With the previous factors considered, Hardee County's budgeted revenue and expenditures for fiscal year ending September 30, 2024 are $112,163,064. The total budget for the prior fiscal year was $74,141,640.

Requests for Information

This financial report is designed to provide a general overview of Hardee County's finances. Questions concerning budgets, long-term financial planning, future debt issuances, or questions related to the management of the County operations should be addressed to the County Manager at:

County Commissioners Office
412 West Orange St., Rm. 103
Wauchula, FL 33873

If you have questions concerning the Basic Financial Statements or other accounting information in this report, please contact the Clerk of Courts at:

Clerk of Courts
P. O. Drawer 1749
Wauchula, FL 33873

HARDEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Industrial Development Authority
ASSETS				
Cash and Cash Equivalents	$ 31,703,070	$ 3,418,840	$ 35,121,910	$ 17,207,248
Investments	-	-	-	6,176,985
Deposits Held by Others	10,068	3,596	13,664	-
Accounts Receivable, Net	1,106,106	264,501	1,370,607	12,037,971
Note Receivable	-	-	-	121,121
Lease Receivable	30,438	-	30,438	-
Internal Balances	(748)	748	-	-
Due from Other Governmental Agencies	4,456,333	165,847	4,622,180	183,059
Prepaid Items	236,434	28,547	264,981	215,395
Inventory - Supplies	416,119	-	416,119	-
Inventory - Property Held for Resale	-	-	-	1,423,390
Restricted Assets:				
Cash and Cash Equivalents	-	1,850,567	1,850,567	-
Capital Assets, Not Being Depreciated/Amortized	5,466,950	1,376,202	6,843,152	10,160,799
Capital Assets, Net of Accumulated Depreciation/Amortization	46,216,474	17,251,382	63,467,856	13,455,417
Total Assets	89,641,244	24,360,230	114,001,474	60,981,385
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Items	7,698,372	199,209	7,897,581	-
Other Postemployment Benefits Related Items	174,113	9,550	183,663	-
Total Deferred Outflows of Resources	7,872,485	208,759	8,081,244	-
LIABILITIES				
Accounts Payable and Accrued Liabilities	1,977,756	387,206	2,364,962	424,678
Due to Other Governmental Agencies	754,664	-	754,664	-
Deposits	-	60,425	60,425	-
Unearned Revenue	1,391	284	1,675	37,250
Noncurrent Liabilities:				
Due within One Year	1,346,646	541,321	1,887,967	-
Due in More than One Year	190,977	7,516,747	7,707,724	-
Net Pension Liability	31,149,525	836,447	31,985,972	-
Total Other Postemployment Benefits Liability	2,068,235	113,447	2,181,682	-
Total Liabilities	37,489,194	9,455,877	46,945,071	461,928
DEFERRED INFLOWS OF RESOURCES				
Lease Related Items	29,434	-	29,434	11,383,423
Pension Related Items	2,464,872	85,132	2,550,004	-
Other Postemployment Benefits Related Items	630,427	34,581	665,008	-
Total Deferred Inflows of Resources	3,124,733	119,713	3,244,446	11,383,423
NET POSITION				
Net Investment in Capital Assets	51,292,098	16,461,758	67,753,856	23,616,216
Restricted for:				
Court Innovations	526,242	-	526,242	-
Court Technology	14,557	-	14,557	-
E-911	627,029	-	627,029	-
Economic Development	8,373,503	-	8,373,503	22,832,342
Grants	1,760,881	-	1,760,881	-
Inmate Welfare	128,191	-	128,191	-
Public Safety	384,065	-	384,065	-
Official Records	168,572	-	168,572	-
Tourist Development	371,503	-	371,503	-
Transportation	4,378,285	-	4,378,285	-
Total Restricted Net Position	16,732,828	-	16,732,828	22,832,342
Unrestricted (Deficit)	(11,125,124)	(1,468,359)	(12,593,483)	2,687,476
Total Net Position	$ 56,899,802	$ 14,993,399	$ 71,893,201	$ 49,136,034

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: Industrial Development Authority
Primary Government								
Governmental Activities:								
General Government	$ 12,658,906	$ 1,586,704	$ 619,569	$ -	$ (10,452,633)	$ -	$ (10,452,633)	$ -
Public Safety	31,022,298	4,795,941	4,500,412	-	(21,725,945)	-	(21,725,945)	-
Physical Environment	645,810	609,168	365,209	-	328,567	-	328,567	-
Transportation	7,312,633	57,399	-	3,227,434	(4,027,800)	-	(4,027,800)	-
Economic Environment	2,157,737	-	1,230,237	-	(927,500)	-	(927,500)	-
Human Services	887,830	-	269,275	-	(618,555)	-	(618,555)	-
Culture and Recreation	2,469,094	406,408	53,155	97,410	(1,912,121)	-	(1,912,121)	-
Debt Service:								
Interest and Fiscal Charges	18,197	-	-	-	(18,197)	-	(18,197)	-
Total Governmental Activities	57,172,505	7,455,620	7,037,857	3,324,844	(39,354,184)	-	(39,354,184)	-
Business-Type Activities:								
Solid Waste	3,105,805	2,634,986	109,624	-	-	(361,195)	(361,195)	-
Wauchula Hills Water and Wastewater	1,855,434	1,003,523	-	316,181	-	(535,730)	(535,730)	-
Vandolah Wastewater Treatment	154,070	120,472	-	-	-	(33,598)	(33,598)	-
Total Business-Type Activities	5,115,309	3,758,981	109,624	316,181	-	(930,523)	(930,523)	-
Total Primary Government	$ 62,287,814	$ 11,214,601	$ 7,147,481	$ 3,641,025	(39,354,184)	(930,523)	(40,284,707)	-
Component Unit:								
Industrial Development Authority	$ 3,269,178	$ 1,237,613	$ 15,000	$ 251,873	-	-	-	(1,764,692)
		GENERAL REVENUES						
		Taxes:						
		Property Taxes			17,680,730	-	17,680,730	-
		Fuel Taxes			2,897,676	-	2,897,676	-
		Sales Tax			2,360,046	-	2,360,046	-
		Communication Services Tax			45,401	-	45,401	-
		Tourist Tax			61,595	-	61,595	-
		Other Taxes			1,675,198	-	1,675,198	-
		State Shared Revenues			7,948,113	-	7,948,113	-
		Mosaic Income			-	-	-	5,528,929
		Investment Earnings			684,626	99,041	783,667	827,628
		Gain on Sale of Capital Assets			277,436	-	277,436	-
		Insurance Recoveries			563,326	-	563,326	-
		Miscellaneous			1,001,664	11,511	1,013,175	6,240
		Transfers			60,688	(60,688)	-	-
		Total General Revenues and Transfers			35,256,499	49,864	35,306,363	6,362,797
		CHANGE IN NET POSITION			(4,097,685)	(880,659)	(4,978,344)	4,598,105
		Net Position - Beginning of Year			60,963,320	15,874,058	76,837,378	44,537,929
		Restatement (See Note 17)			34,167	-	34,167	-
		Net Position, Beginning of Year, as Restated			60,997,487	15,874,058	76,871,545	44,537,929
		NET POSITION - END OF YEAR			$ 56,899,802	$ 14,993,399	$ 71,893,201	$ 49,136,034

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2023

	Major						Nonmajor	
	General Fund	Transportation Trust Fund	Fire Control Fund	Grants Fund	Emergency Disaster	Economic Development Authority Fund	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	$ 13,350,227	$ 2,773,860	$ 1,195,908	$ 2,337,955	$ -	$ 9,711,968	$ 2,333,152	$ 31,703,070
Deposits	5,753	4,315	-	-	-	-	-	10,068
Accounts Receivable, Net	870,349	4,704	605	-	-	-	230,448	1,106,106
Lease Receivable	30,438	-	-	-	-	-	-	30,438
Due from Other Funds	906,966	29,134	-	5,724	-	-	341,150	1,282,974
Due from Other Governments	1,736,876	1,778,694	86,025	645,758	-	-	208,980	4,456,333
Prepaid Items	233,648	-	-	-	-	-	2,786	236,434
Inventory of Supplies, at Cost	416,119	-	-	-	-	-	-	416,119
Total Assets	$ 17,550,376	$ 4,590,707	$ 1,282,538	$ 2,989,437	$ -	$ 9,711,968	$ 3,116,516	$ 39,241,542

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
BALANCE SHEET — GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2023

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	Major: General Fund	Major: Transportation Trust Fund	Major: Fire Control Fund	Major: Grants Fund	Major: Emergency Disaster	Major: Economic Development Authority Fund	Nonmajor: Other Governmental Funds	Total Governmental Funds
Liabilities:								
Accounts Payable and Accrued Liabilities	$ 1,179,290	$ 212,264	$ 92,855	$ 372,002	$ -	$ 251	$ 121,094	$ 1,977,756
Due to Other Funds	161,021	-	-	863,811	-	-	258,890	1,283,722
Due to Other Governments	21,381	158	525	30,086	-	311,679	390,835	754,664
Unearned Revenue	-	-	-	1,391	-	-	-	1,391
Total Liabilities	1,361,692	212,422	93,380	1,267,290	-	311,930	770,819	4,017,533
Deferred Inflows of Resources:								
Lease Related Items	29,434	-	-	-	-	-	-	29,434
Unavailable Revenue:								
Intergovernmental	377,099	22,468	81,304	156,712	-	-	209,932	847,515
Emergency Medical Services	681,010	-	-	-	-	-	-	681,010
Total Deferred Inflows of Resources	1,087,543	22,468	81,304	156,712	-	-	209,932	1,557,959
Fund Balances:								
Nonspendable	649,767	-	-	-	-	-	2,786	652,553
Restricted	-	4,355,817	-	1,565,435	-	8,373,503	1,920,267	16,215,022
Committed	-	-	1,107,854	-	-	-	132,561	1,240,415
Assigned	-	-	-	-	-	1,026,535	82,445	1,108,980
Unassigned	14,451,374	-	-	-	-	-	(2,294)	14,449,080
Total Fund Balances	15,101,141	4,355,817	1,107,854	1,565,435	-	9,400,038	2,135,765	33,666,050
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 17,550,376	$ 4,590,707	$ 1,282,538	$ 2,989,437	$ -	$ 9,711,968	$ 3,116,516	

Amounts reported for governmental activities in the statement of net position	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	51,683,424
Certain receivables are not available to pay current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.	1,528,525
Long-term liabilities, including financed purchases, leases, SBITAs, and accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(1,537,623)
Net pension liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds.	(25,916,025)
Total other postemployment benefits liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds.	(2,524,549)
Net Position of Governmental Activities	$ 56,899,802

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Major						Non-Major	
	General Fund	Transportation Trust Fund	Fire Control Fund	Grants Fund	Emergency Disaster	Economic Development Authority Fund	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes	$ 20,086,177	$ 1,595,831	$ -	$ -	$ -	$ -	$ 61,595	$ 21,743,603
Licenses and Permits	847,885	-	-	-	-	-	-	847,885
Intergovernmental	9,751,119	8,168,458	-	2,617,008	-	1,675,198	827,633	23,039,416
Charges for Services	2,682,173	57,399	28,040	-	-	-	1,153,876	3,921,488
Fines and Forfeitures	9,987	-	-	-	-	-	220,063	230,050
Assessments	-	-	2,247,419	-	-	-	-	2,247,419
Interest	328,316	49,702	33,845	34,091	-	198,160	39,101	683,215
Miscellaneous	564,176	412,188	6,990	75,470	-	-	65,150	1,123,974
Total Revenues	34,269,833	10,283,578	2,316,294	2,726,569	-	1,873,358	2,367,418	53,837,050
EXPENDITURES								
Current:								
General Government	8,748,406	-	-	-	-	-	1,819,921	10,568,327
Public Safety	24,209,701	-	2,400,541	604,097	-	-	252,132	27,466,471
Physical Environment	48,570	-	-	75,713	-	-	468,956	593,239
Transportation	-	4,299,825	-	-	-	-	-	4,299,825
Economic Environment	-	-	-	456,957	-	1,702,319	-	2,159,276
Human Services	816,877	-	-	50,898	-	-	-	867,775
Culture and Recreation	1,452,847	-	-	-	-	880,328	-	2,333,175
Capital Outlay	2,275,896	3,962,470	83,663	277,071	-	-	84,398	6,683,498
Debt Service:								
Principal Retirement	105,323	2,025	121,697	-	-	-	1,598	230,643
Interest	6,226	37	11,912	-	-	-	22	18,197
Total Expenditures	37,663,846	8,264,357	2,617,813	1,464,736	-	2,582,647	2,627,027	55,220,426
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,394,013)	2,019,221	(301,519)	1,261,833	-	(709,289)	(259,609)	(1,383,376)
OTHER FINANCING SOURCES AND (USES)								
Transfers In	272,942	14,401	-	10,946	133,659	-	1,241,026	1,672,974
Transfers Out	(718,273)	-	(106,500)	(46,941)	-	-	(740,572)	(1,612,286)
Proceeds from Sale of Capital Assets	-	277,436	-	-	-	-	-	277,436
Insurance Recoveries	563,326	-	-	-	-	-	-	563,326
SBITAs	23,736	-	-	-	-	-	-	23,736
Total Other Financing Sources and (Uses)	141,731	291,837	(106,500)	(35,995)	133,659	-	500,454	925,186
NET CHANGE IN FUND BALANCES	(3,252,282)	2,311,058	(408,019)	1,225,838	133,659	(709,289)	240,845	(458,190)
Fund Balances - Beginning of Year	18,353,423	2,044,759	1,515,873	305,430	(133,659)	10,109,327	1,894,920	34,090,073
Restatement (See Note 17)	-	-	-	34,167	-	-	-	34,167
Fund Balances - Beginning of Year, as Restated	18,353,423	2,044,759	1,515,873	339,597	(133,659)	10,109,327	1,894,920	34,124,240
FUND BALANCES (DEFICIT) - END OF YEAR	$ 15,101,141	$ 4,355,817	$ 1,107,854	$ 1,565,435	$ -	$ 9,400,038	$ 2,135,765	$ 33,666,050

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2023

Net Change in Fund Balances - Total Governmental Funds	$ (458,190)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation or amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period.	1,826,814
Long-term liabilities are reported in the statement of net position but not in the governmental funds because they are not due and payable in the current period. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	188,322
Some revenues reported in the statement of activities will not be collected for several months after the fiscal year-end and, therefore, are not reported as revenues in governmental funds.	(1,663,680)
Changes in net pension liability and related pension amounts reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(4,040,497)
Changes in total other postemployment benefits (OPEB) liability and related OPEB amounts reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	49,546
Change in Net Position of Governmental Activities	$ (4,097,685)

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 19,480,618	$ 19,480,618	$ 20,086,177	$ 605,559
Licenses and Permits	367,025	373,749	847,885	474,136
Intergovernmental	4,642,352	16,065,737	9,751,119	(6,314,618)
Charges for Services	1,772,531	2,658,213	2,682,173	23,960
Fines and Forfeitures	4,850	4,850	9,987	5,137
Interest	1,200	66,369	328,316	261,947
Net Change in Fair Value of Investments	12,200	7,036	-	(7,036)
Miscellaneous	42,755	373,153	564,176	191,023
Total Revenues	26,323,531	39,029,725	34,269,833	(4,759,892)
EXPENDITURES				
Current:				
General Government	10,303,420	10,163,059	8,748,406	1,414,653
Public Safety	17,747,851	28,521,927	24,209,701	4,312,226
Physical Environment	51,293	51,318	48,570	2,748
Human Services	918,794	866,764	816,877	49,887
Culture and Recreation	1,678,693	1,669,002	1,452,847	216,155
Capital Outlay	2,758,804	5,856,932	2,275,896	3,581,036
Debt Service:				
Principal Retirement	32,806	32,806	105,323	(72,517)
Interest	2,240	2,240	6,226	(3,986)
Other Expenditures	6,361,524	4,886,024	-	4,886,024
Total Expenditures	39,855,425	52,050,072	37,663,846	14,386,226
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,531,894)	(13,020,347)	(3,394,013)	9,626,334
OTHER FINANCING SOURCES AND (USES)				
Transfers In	815,852	241,498	272,942	31,444
Transfers Out	(611,533)	(844,435)	(718,273)	126,162
Insurance Recoveries	-	295,709	563,326	267,617
SBITAs	-	-	23,736	23,736
Total Other Financing Sources and (Uses)	204,319	(307,228)	141,731	425,223
NET CHANGE IN FUND BALANCES	(13,327,575)	(13,327,575)	(3,252,282)	10,075,293
Fund Balances - Beginning of Year	13,327,575	13,327,575	18,353,423	5,025,848
FUND BALANCES - END OF YEAR	$ -	$ -	$ 15,101,141	$ 15,101,141

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — TRANSPORTATION TRUST FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 1,356,400	$ 1,356,400	$ 1,595,831	$ 239,431
Intergovernmental	5,603,094	9,010,908	8,168,458	(842,450)
Charges for Services	109,850	109,850	57,399	(52,451)
Interest	2,500	2,500	49,702	47,202
Miscellaneous	171,207	234,207	412,188	177,981
Total Revenues	7,243,051	10,713,865	10,283,578	(430,287)
EXPENDITURES				
Current:				
Transportation	5,619,970	5,596,733	4,299,825	1,296,908
Capital Outlay	3,611,556	7,105,857	3,962,470	3,143,387
Debt Service:				
Principal Retirement	-	-	2,025	(2,025)
Interest	-	-	37	(37)
Other Expenditures	1,105,590	1,105,590	-	1,105,590
Total Expenditures	10,337,116	13,808,180	8,264,357	5,543,823
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,094,065)	(3,094,315)	2,019,221	5,113,536
OTHER FINANCING SOURCES				
Transfers In	41,800	42,050	14,401	(27,649)
Proceeds from Sale of Capital Assets	15,000	15,000	277,436	262,436
Total Other Financing Sources	56,800	57,050	291,837	234,787
NET CHANGE IN FUND BALANCES	(3,037,265)	(3,037,265)	2,311,058	5,348,323
Fund Balances - Beginning of Year	3,037,265	3,037,265	2,044,759	(992,506)
FUND BALANCES - END OF YEAR	$ -	$ -	$ 4,355,817	$ 4,355,817

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — FIRE CONTROL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for Services	$ 18,700	$ 18,700	$ 28,040	$ 9,340
Assessments	2,205,000	2,205,000	2,247,419	42,419
Interest	420	420	33,845	33,425
Miscellaneous		-	6,990	6,990
Total Revenues	2,224,120	2,224,120	2,316,294	92,174
EXPENDITURES				
Current:				
Public Safety	2,799,025	2,799,025	2,400,541	398,484
Capital Outlay	204,782	204,782	83,663	121,119
Debt Service:				
Principal Retirement	91,033	118,422	121,697	(3,275)
Interest	9,744	11,613	11,912	(299)
Other Expenditures	566,730	537,472	-	537,472
Total Expenditures	3,671,314	3,671,314	2,617,813	1,053,501
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,447,194)	(1,447,194)	(301,519)	1,145,675
OTHER FINANCING SOURCES AND (USES)				
Transfers In	200,000	200,000	-	(200,000)
Transfers Out	(106,500)	(106,500)	(106,500)	-
Total Other Financing Sources and (Uses)	93,500	93,500	(106,500)	(200,000)
NET CHANGE IN FUND BALANCES	(1,353,694)	(1,353,694)	(408,019)	945,675
Fund Balances - Beginning of Year	1,353,694	1,353,694	1,515,873	162,179
FUND BALANCES - END OF YEAR	$ -	$ -	$ 1,107,854	$ 1,107,854

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — GRANTS FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 1,412,541	$ 4,226,761	$ 2,617,008	$ (1,609,753)
Interest	1,000	12,801	34,091	21,290
Miscellaneous	-	60,970	75,470	14,500
Total Revenues	1,413,541	4,300,532	2,726,569	(1,573,963)
EXPENDITURES				
Current:				
Public Safety	459,113	1,042,056	604,097	437,959
Physical Environment	85,292	103,372	75,713	27,659
Economic Environment	418,638	1,829,191	456,957	1,372,234
Human Services	-	50,898	50,898	-
Capital Outlay	430,000	1,683,118	277,071	1,406,047
Total Expenditures	1,393,043	4,708,635	1,464,736	3,243,899
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	20,498	(408,103)	1,261,833	1,669,936
OTHER FINANCING SOURCES AND (USES)				
Transfers In	-	10,669	10,946	277
Transfers Out	(20,498)	(37,061)	(46,941)	(9,880)
Total Other Financing Sources and (Uses)	(20,498)	(26,392)	(35,995)	(9,603)
NET CHANGE IN FUND BALANCES	-	(434,495)	1,225,838	1,660,333
Fund Balances - Beginning of Year	-	434,495	305,430	(129,065)
Restatement (See Note 17)	-	-	34,167	34,167
Fund Balances - Beginning of Year, as Restated	-	434,495	339,597	(94,898)
FUND BALANCES - END OF YEAR	$ -	$ -	$ 1,565,435	$ 1,565,435

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — EMERGENCY DISASTER FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Revenues	$ -	$ -	$ -	$ -
EXPENDITURES				
Expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES				
Transfers In	-	-	133,659	133,659
NET CHANGE IN FUND BALANCE	-	-	133,659	133,659
Fund Balance (Deficit) - Beginning of Year	-	-	(133,659)	(133,659)
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — ECONOMIC DEVELOPMENT AUTHORITY FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 2,000,000	$ 1,675,198	$ 1,675,198	$ -
Interest	63,750	198,160	198,160	-
Total Revenues	2,063,750	1,873,358	1,873,358	-
EXPENDITURES				
Current:				
Economic Environment	8,437,583	7,734,408	1,702,319	6,032,089
Recreation	2,010,683	1,878,071	880,328	997,743
Total Expenditures	10,448,266	9,612,479	2,582,647	7,029,832
NET CHANGE IN FUND BALANCES	(8,384,516)	(7,739,121)	(709,289)	7,029,832
Fund Balances - Beginning of Year	11,094,764	10,220,292	10,109,327	(110,965)
FUND BALANCES - END OF YEAR	$ 2,710,248	$ 2,481,171	$ 9,400,038	$ 6,918,867

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF NET POSITION — PROPRIETARY FUNDS
SEPTEMBER 30, 2023

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandolah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
ASSETS				
CURRENT ASSETS				
Cash	$ 2,480,199	$ 794,708	$ 143,933	$ 3,418,840
Deposits	-	3,596	-	3,596
Accounts Receivable, Net	88,654	175,795	52	264,501
Due from Other Funds	-	748	-	748
Due from Other Governmental Agencies	3,722	162,125	-	165,847
Prepaid Items	28,547	-	-	28,547
Total Current Assets	2,601,122	1,136,972	143,985	3,882,079
NONCURRENT ASSETS				
Restricted Cash and Cash Equivalents	1,850,567	-	-	1,850,567
Capital Assets:				
Land	372,775	424,850	165,000	962,625
Construction in Progress	23,109	390,468	-	413,577
Buildings and Improvements	2,968,657	5,801,121	1,184,598	9,954,376
Equipment	3,526,996	647,565	8,961	4,183,522
Infrastructure	7,218,397	16,388,416	-	23,606,813
Right-To-Use Leased Equipment	2,519	2,103	287	4,909
Less: Accumulated Depreciation/Amortization	(9,239,964)	(10,767,158)	(491,116)	(20,498,238)
Total Capital Assets (Net of Accumulated Depreciation/Amortization)	4,872,489	12,887,365	867,730	18,627,584
Total Noncurrent Assets	6,723,056	12,887,365	867,730	20,478,151
Total Assets	9,324,178	14,024,337	1,011,715	24,360,230
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Items	87,118	98,527	13,564	199,209
Other Postemployment Benefits Related Items	4,059	4,830	661	9,550
Total Deferred Outflows of Resources	91,177	103,357	14,225	208,759

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF NET POSITION — PROPRIETARY FUNDS (CONTINUED)
SEPTEMBER 30, 2023

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandolah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
LIABILITIES				
CURRENT LIABILITIES				
Accounts Payable and Accrued Liabilities	$ 265,441	$ 119,511	$ 2,254	$ 387,206
Deposits	23,842	36,583	-	60,425
Unearned Revenue	-	284	-	284
Accrued Compensated Absences, Current Portion	1,856	-	-	1,856
Notes Payable, Current Portion	350,000	-	-	350,000
Landfill Closure and Postclosure Costs, Current Portion	188,899	-	-	188,899
Leases	473	82	11	566
Total Current Liabilities	830,511	156,460	2,265	989,236
NONCURRENT LIABILITIES				
Accrued Compensated Absences	3,431	-	-	3,431
Net Pension Liability	381,194	389,972	65,281	836,447
Other Postemployment Benefits	48,215	57,378	7,854	113,447
Notes Payable, Less Current Portion	1,730,000	-	-	1,730,000
Landfill Closure and Post-closure Costs	5,783,316	-	-	5,783,316
Total Noncurrent Liabilities	7,946,156	447,350	73,135	8,466,641
Total Liabilities	8,776,667	603,810	75,400	9,455,877
DEFERRED INFLOWS OF RESOURCES				
Pension Related Items	36,802	42,506	5,824	85,132
Other Postemployment Benefits Related Items	14,697	17,490	2,394	34,581
Total Deferred Inflows of Resources	51,499	59,996	8,218	119,713
NET POSITION				
Net Investment in Capital Assets	2,792,016	12,802,023	867,719	16,461,758
Unrestricted	(2,204,827)	661,865	74,603	(1,468,359)
Total Net Position	$ 587,189	$ 13,463,888	$ 942,322	$ 14,993,399

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION — PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandolah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
OPERATING REVENUES				
Sales and Charges for Services	$ 1,493,420	$ 1,003,523	$ 120,472	$ 2,617,415
Special Assessments	1,141,566	-	-	1,141,566
Total Operating Revenues	2,634,986	1,003,523	120,472	3,758,981
OPERATING EXPENSES				
Personal Services	615,113	714,872	97,814	1,427,799
General and Administrative	1,924,487	390,502	32,501	2,347,490
Depreciation	467,691	750,041	23,752	1,241,484
Total Operating Expenses	3,007,291	1,855,415	154,067	5,016,773
OPERATING LOSS	(372,305)	(851,892)	(33,595)	(1,257,792)
NONOPERATING REVENUES (EXPENSES)				
Intergovernmental	109,624	-	-	109,624
Interest Income	80,779	15,776	2,486	99,041
Interest Expense	(98,514)	(19)	(3)	(98,536)
Miscellaneous Revenue	10,853	658	-	11,511
Total Nonoperating Revenues (Expenses), Net	102,742	16,415	2,483	121,640
LOSS BEFORE CONTRIBUTIONS AND TRANSFERS	(269,563)	(835,477)	(31,112)	(1,136,152)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital Contributions	-	316,181	-	316,181
Transfers Out	(60,682)	(6)	-	(60,688)
Total Capital Contributions and Transfers	(60,682)	316,175	-	255,493
CHANGE IN NET POSITION	(330,245)	(519,302)	(31,112)	(880,659)
Net Position - Beginning of Year	917,434	13,983,190	973,434	15,874,058
NET POSITION - END OF YEAR	$ 587,189	$ 13,463,888	$ 942,322	$ 14,993,399

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS — PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandolah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	$ 2,625,326	$ 893,221	$ 120,472	$ 3,639,019
Payments to Suppliers	(1,340,741)	(432,356)	(35,847)	(1,808,944)
Payments to Employees	(531,141)	(617,521)	(84,388)	(1,233,050)
Net Cash Provided (Used) by Operating Activities	753,444	(156,656)	237	597,025
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental Grants	109,624	-	-	109,624
Other Nonoperating Revenue	7,332	658	-	7,990
Cash Received from Interfund Borrowings	(5)	-	-	(5)
Transfers to Other Fund	(60,682)	(6)	-	(60,688)
Net Cash Provided (Used) by Noncapital Financing Activities	56,269	652	-	56,921
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Grants, State Shared Revenues, and Contributions	-	207,883	-	207,883
Acquisition and Construction of Capital Assets	(90,531)	(274,207)	-	(364,738)
Principal Paid on Leases and Long-Term Debt	(351,040)	(1,028)	(140)	(352,208)
Interest Paid	(98,514)	(19)	(3)	(98,536)
Net Cash Provided (Used) by Capital and Related Financing Activities	(540,085)	(67,371)	(143)	(607,599)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	80,779	15,776	2,486	99,041
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	350,407	(207,599)	2,580	145,388
Cash and Cash Equivalents - Beginning of Year	3,980,359	1,002,307	141,353	5,124,019
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 4,330,766	$ 794,708	$ 143,933	$ 5,269,407
CLASSIFIED AS				
Cash	$ 2,480,199	$ 794,708	$ 143,933	$ 3,418,840
Restricted Cash and Cash Equivalents	1,850,567	-	-	1,850,567
Total	$ 4,330,766	$ 794,708	$ 143,933	$ 5,269,407

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS — PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandolah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Loss	$ (372,305)	$ (851,892)	$ (33,595)	$ (1,257,792)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:				
Depreciation/Amortization	467,691	750,041	23,752	1,241,484
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(9,660)	(75,217)	-	(84,877)
(Increase) Decrease in Prepaid Items	9,515	-	-	9,515
(Increase) Decrease In Deferred Outflows - Pensions	(14,601)	(4,066)	(381)	(19,048)
(Increase) Decrease In Deferred Outflows - OPEB	(776)	(489)	(69)	(1,334)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	23,544	(41,854)	(3,346)	(21,656)
Increase (Decrease) in Due to Other Government Agencies	(8,092)	-	-	(8,092)
Increase (Decrease) in Deposits	-	1,200	-	1,200
Increase (Decrease) in Unearned Revenue	-	(36,285)	-	(36,285)
Increase (Decrease) in Net Pension Liability	93,457	108,425	14,774	216,656
Increase (Decrease) in Total OPEB Liability	10,548	7,567	1,062	19,177
Increase (Decrease) in Landfill Closure and Postclosure Costs	558,779	-	-	558,779
Increase (Decrease) In Deferred Inflows - Pensions	(4,371)	(11,763)	(1,652)	(17,786)
Increase (Decrease) In Deferred Inflows - OPEB	(285)	(2,323)	(308)	(2,916)
Net Cash Provided (Used) by Operating Activities	$ 753,444	$ (156,656)	$ 237	$ 597,025
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Assets Acquired through Retainage and Accounts Payable	$ -	$ 85,260	$ -	$ 85,260

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION — FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
ASSETS	
Cash	$ 1,103,174
LIABILITIES	
Due to Individuals	$ 102,586
Due to Other Governments	373,985
Deposit - Installment Taxes	313,075
Total Liabilities	789,646
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	313,528
Total Net Position	$ 313,528

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION — FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds
ADDITIONS	
Collections from Individuals	$ 353,546
Property Tax Collections for Other Governments	15,333,695
Evidence Collected	22,544
Collections for Court Related Activities	1,247,548
Licenses, Taxes, and Fees Collected for Other Governments	6,881,559
Total Additions	23,838,892
DEDUCTIONS	
Medical, Dental, and Life Insurance	36,763
Payments to Individuals	224,118
Payments of Court Related Funds	1,185,631
Payments to Other Entities	108,603
Payments to Other Governments	22,236,068
Total Deductions	23,791,183
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	47,709
Fiduciary Net Position - Beginning of Year	265,819
FIDUCIARY NET POSITION - END OF YEAR	$ 313,528

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Hardee County (County) is a Non-charter County established under the Constitution and laws of the state of Florida. The six offices elected county wide are as follows: Board of County Commissioners (Board) composed of five members, Clerk of Circuit Court (Clerk), Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections.

The Board, as the legislative body for the County, budgets and provides the funding used by the separate constitutional officers with the exception of fees collected by the Tax Collector, Property Appraiser, and Clerk. The Clerk maintains the accounting system for the Board's operations. The Clerk, Property Appraiser, Tax Collector, Sheriff, and Supervisor of Elections each maintain their own accounting system. The operations of the Board and each constitutional officer have been combined in these financial statements.

Accounting principles generally accepted in the United States (GAAP) require that each unit of government define a governmental reporting entity. The accompanying financial statements present the financial position and results of operations of the applicable funds of the County.

GAAP requires that these financial statements include all entities for which the County is considered to be financially accountable (component unit). The County is financially accountable if it 1) holds a majority equity interest and it doesn't meet the definition of an investment; or 2) appoints a voting majority of the organization's governing body and (a) is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. If a component unit is, in substance, part of the government's operations, it should be reported as a blended component unit. Otherwise, a component unit should be discretely presented. Based on the criteria, the County management determined that the County has one discretely presented component unit and one blended component unit.

Discretely Presented Component Unit

The Hardee County Industrial Development Authority (Authority), as authorized by Chapter 159.44-159.53 of the Florida Statutes, was created for the purpose of financing and refinancing projects for the public purposes in the manner provided by the Florida Industrial Development Financing Act and by Chapter 159.44-159.53 of the Florida Statutes and for the purpose of fostering economic development of Hardee County.

The Authority is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. The County entered into an agreement with a private entity which otherwise assumed to provide financial support to the Authority. Separate audited financial statements for the Hardee County Industrial Development Authority are available upon request at 107 East Main Street, Wauchula, Florida 33873.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Unit

The Hardee County Economic Development Authority (EDA), established in accordance with Section 211.3103 of the Florida Statutes, was created to solicit, rank, and fund projects that provide economic development opportunities and infrastructure within the geographic boundaries of Hardee County and to otherwise maximize the use of federal, local, and private resources. The Board represents the majority of the voting members on the EDA. The Clerk maintains the accounting system for the EDA. The EDA is reported as a special revenue fund and as a major fund of the County. Separate audited financial statements for the EDA are available upon request at 412 West Orange Street, Room 103, Wauchula, Florida 33873.

Basis of Presentation, Basis of Accounting, and Measurement Focus

The accounting principles of the County conform to GAAP as applicable to governments. The following is a summary of the significant accounting principles and policies used in the preparation of these financial statements.

Fund Accounting

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

Fund financial statements for the primary government's governmental and proprietary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. The fiduciary statement includes financial information for the custodial funds. The custodial funds of the County are used to account for assets associated with activities which benefit other governments.

Government-Wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements (Continued)

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 33 – *Accounting and Financial Reporting for Nonexchange Transactions*.

Program revenues derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the cost of the function to be financed from the government's general revenues. Program revenues include charges for services, program specific operating grants and contributions, and program specific capital grants and contributions. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

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

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

The County's fiduciary funds presented in the fund financial statements include custodial funds. These funds are not incorporated into the government-wide statements.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Revenues susceptible to accrual are certain tax revenues, intergovernmental revenues, ambulance fees, and investment earnings. Major revenue sources not susceptible to accrual include charges for services (other than ambulance fees), fines and forfeitures, and miscellaneous revenue. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

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

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

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

Proprietary Funds

The County's enterprise funds are proprietary funds. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on their statement of net position. Proprietary fund's operating statements present increases (revenues) and decreases (expenses) in total net position.

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

When both restricted and unrestricted resources are available for use, it is the County's policy to first apply restricted resources when an expense is in incurred for purposes for which both restricted and unrestricted assets are available.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Custodial Funds

The custodial funds use the economic resources measurement focus and the accrual basis of accounting. Ending net position is restricted for individuals, organizations, and other governments.

Basis of Presentation

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures/expenses of each fund category and the governmental and enterprise combined) for the determination of major funds. The County has used GASB Statement No. 34 minimum criteria for major fund determination. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

The County considers the Fire Control Fund important to financial statement users because of the public interest and is, therefore, reporting this governmental funds as major even though the quantitative criteria have not been met.

Governmental Major Funds

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

Transportation Trust Fund – The Transportation Trust Fund, a special revenue fund, accounts for the proceeds of local, state, and federal gas taxes, which are restricted for use in the operation of the County's road and bridge and equipment maintenance departments.

Fire Control Fund – The Fire Control Fund, a special revenue fund, accounts for assessments committed to providing countywide fire protection services.

Grants Fund – The Grants Fund, a special revenue fund, was established to account for all community development enhancement projects that are funded through various restricted State, Federal, and other funding agencies.

Emergency Disaster Fund – The Emergency Disaster Fund, a special revenue fund, accounted for certain previously declared disasters and COVID-19 funding sources which were restricted to the use of recovering from declared local disasters and pandemics, respectively.

Economic Development Authority Fund – The Economic Development Authority Fund, a special revenue fund, was established to solicit, rank, and fund projects that provide economic development opportunities and infrastructure within the geographic boundaries of Hardee County.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Major Funds

Solid Waste Fund – The Solid Waste Fund accounts for the fees imposed on users of the Hardee County Landfill; and for the closure and post-closure liability along with the restricted cash required by the Environmental Protection Agency.

Wauchula Hills Water/Wastewater Treatment Fund – The Wauchula Hills Water/Wastewater Treatment fund accounts for the operations of the Wauchula Hills Water and Wastewater utilities.

Fiduciary Funds

Custodial Funds – Custodial Funds are fiduciary in nature and used to account for assets associated with various activities, which benefit individuals and other governments.

Budgets and Budgetary Accounting

The County follows the procedures provided by Florida Statutes in establishing final budget balances reported on the financial statements.

Budgets are prepared, public hearings are held, and original budgets are adopted annually for governmental funds in accordance with procedures and time intervals prescribed by law.

Budgets are prepared for the governmental funds on a basis consistent with GAAP and are based upon the final amended amounts.

Appropriations lapse at year-end to the extent that they have not been expended. Budget appropriations may not be legally exceeded on a fund basis, which is the legal level of control.

Final budget amounts reported are based upon the final amended budget.

Formal budgetary integration is employed as a management control device during the year for all governmental funds and proprietary funds except for Sheriff's Commissary Fund, Sheriff's Education Fund, Sheriff's E-911 Fund, Sheriff's Youth Fund, Sheriff's Flower Fund, and Sheriff's Drug Task Force Fund.

Accounts Receivable

Accounts receivable is shown at its net realizable value and reduced by an allowance for uncollectible accounts.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions

Interfund transactions are accounted for in the following manner:

Transactions for services rendered are recorded as revenues in the receiving fund and as expenditures or expenses (as appropriate) in the disbursing fund.

Transactions to reimburse a fund for expenditures made by it for the benefit of another fund are recorded as expenditures or expenses (as appropriate) in the disbursing fund and as a reduction of expenditures or expenses (as appropriate) in the receiving fund; and transactions to shift revenues from the fund budgeted to receive them to the fund budgeted to expend them are recorded as transfers in and out, respectively.

Transfers are reported in the “Other Financing Sources (Uses)” section in the statement of revenues, expenditures, and changes in fund balances and in the “Transfers” section in the statement of revenues, expenses, and changes in fund Net position. As of fiscal year-end, any unpaid amounts related to these transactions are reported as due from/to other funds on the balance sheet. Assets acquired or constructed by resources of a governmental fund which are subsequently transferred to a proprietary fund are accounted for as expenditures within the governmental fund and as contributed capital in the proprietary fund.

Inventory of Supplies

Inventory shown in the General Fund consists of expendable supplies held for consumption and road materials valued at cost. Inventories are valued at the lower of cost (first-in, first-out) or market. Inventory is accounted for using the consumption method.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are expensed during the periods benefited.

Unearned Revenues

Unearned revenue at the government-wide level arises only when the County receives resources before it has legal claim to them. Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Revenues in the proprietary funds which have not been earned are reported in accordance with the accrual basis of accounting as unearned revenue. The unearned revenue will be recognized as revenues in the fiscal year they are earned.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets which include: property, plant, equipment, right-to-use lease assets, and infrastructure assets (e.g., roads, bridges, right-of-way, and sewer distribution systems and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Capital assets are defined by the County as real or personal property that have a value equal to or greater than the capitalization threshold for their respective asset class and have an estimated useful life greater than of one year. The cost of improvements and replacements which extend the useful lives and/or increase the capacity or efficiency of the asset are capitalized. Repairs and maintenance costs which do not improve or extend the useful life of the respective assets are charged to expense when incurred.

Capital assets are recorded as expenditures in the general and special revenue funds at the time of purchase. Machinery and equipment is recorded at historical cost or estimated historical cost if actual historical cost is not available. Land, buildings, improvements, and equipment are valued at historical cost or at estimated acquisition value for those assets contributed.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Subscription-based information technology arrangements (SBITA) assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received form the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

The Board holds legal title for the capital assets used in the operations of the Board, Clerk, Property Appraiser, Supervisor of Elections, and Tax Collector, and is accountable for them under Florida Law. The Sheriff is accountable for, and thus maintains, capital assets records pertaining only to equipment used in their operations. These assets have been combined with the Board's governmental activities' capital assets in the statement of net position. Capital assets used by the governmental funds are reported in the financial statements of the County. Capital assets of the enterprise funds are reported in the Proprietary Funds financial statements.

Depreciation/amortization on capital assets is charged as an expense against operations which is closed to net position. Accumulated depreciation/amortization is reported on the proprietary funds statement of new position. Depreciation/amortization has been provided over the estimated useful lives using the straight-line method.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Under the laws of the state of Florida, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit counties to levy property taxes at a rate of up to 10 mills for general operations. The tax levy rate for general operations of the County for the year ended September 30, 2023 was 8.8000 mills.

The tax levy of the County is established by the Board prior to October 1 of each year and the Property Appraiser incorporates the County millage rate into the total tax levy, which includes the various municipalities, the County School Board, and other taxing authorities.

All property is assessed according to its fair market value January 1 of each year. Each assessment roll is submitted to the Executive Director of the Florida Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes.

All taxes become payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. Taxes paid in March are without discount.

On or prior to June 1 following the tax year, tax certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the tax certificate holder after a period of two years. Unsold tax certificates are held by the County.

The County does not accrue its portion of the County held tax certificates because such amounts are not measurable and available as of the balance sheet date.

Accumulated Unpaid Vacation and Sick Pay

The policies of the various County agencies allow employees to accumulate annual leave and sick leave. Various amounts of accumulated annual leave and sick leave may be paid upon separation or retirement. The County accrues annual and sick leave based on current employee compensation levels and the number of years of service in accordance with GAAP.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accumulated Unpaid Vacation and Sick Pay (Continued)

In enterprise funds, expense for compensated absences is recorded when earned by the employee. A long-term liability of accrued sick and annual leave has been recorded in the enterprise funds.

Restricted Assets

Certain funds of the County are classified as restricted assets on the balance sheet and on the statement of net position because the restriction is either imposed by law through constitutional provisions or enabling legislation or imposed externally by creditors, grantors, contributors, or laws or regulations of other governments. Therefore, their use is limited by applicable laws and regulations.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the County because it is, at present, not necessary to assure effective budgetary control or to facilitate effective cash planning and control.

Landfill Closure and Post-Closure Costs

The County has obtained engineering estimates of future costs to close and monitor the current sanitary landfill site in accordance with state and federal guidelines. Estimated landfill closing and monitoring costs are being accrued in the Solid Waste Fund over the operating life of the landfill representing the commitment to fund such costs for the future.

Use of Estimates

The preparation of financial statements in conformity with GAAP, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations (OPEB)

In the statement of net position, liabilities are recognized for the County's total OPEB liability as determined by an actuarial review of healthcare coverage purchased by retirees to continue participation in the County's health plans. OPEB expense is recognized immediately for change in the OPEB liability resulting from current year service cost, interest in the total OPEB liability, and change of benefit terms or actuarial assumptions.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

In the government-wide and proprietary funds statements of net position, liabilities are recognized for the County's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) and additions to/deductions from FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance, Net Position, and Spending Policy

In accordance with GASB Statement No. 54, *Fund Balance Reporting, and Governmental Fund Type Definitions*, the Board classified fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted – amounts that can be spent for specific purposes because of charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to grant funds awarded and passed by the Board, the County's highest level of decision-making authority.
- Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the County's adopted policy, only the Board may assign amounts for specific purposes.
- Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. Unassigned may also include deficit fund balance amounts within other governmental funds.

Net position represents the difference between assets and liabilities. The net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. The net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. All net position not reported as net investment in capital assets or restricted net position, is reported as unrestricted net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance, Net Position, and Spending Policy (Continued)

The Board has not formally adopted fund balance, net position, and spending policies to clearly define the process for tracking the various classifications of fund balance/net position. When a fund expenditure is incurred, for which restricted, committed, assigned, or unassigned fund balance amounts are available to be used, the Board will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts. When both restricted and unrestricted net position is available for use, the Board will first use restricted.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The County can have multiple items that qualify for reporting in this category including lease related items, differences between expected and actual experience, changes in actuarial assumptions, net difference between projected and actual earnings on pension plan investments, changes in the proportion and differences between the County's contributions and proportionate share of contributions, and the County's contributions subsequent to the measurement date, relating to the FRS Pension Plan, the HIS Program, and the County's OPEB Plan.

In addition to liabilities, the statement of net position and governmental funds balance sheet includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County can have multiple items that qualify for reporting in this category including lease related items, differences between expected and actual experience, changes in actuarial assumptions, net difference between projected and actual earnings on pension plan investments, and changes in the proportion and differences between the County's contributions and proportionate share of contributions, relating to the FRS Pension Plan, the HIS Program, and the County's OPEB Plan.

The County also has several items, which arise only under a modified accrual basis of accounting that qualified for reporting in this category. Accordingly, the items are reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from intergovernmental revenues and charges for emergency medical services. The amounts are deferred and recognized as an inflow of resources in the period in which the amounts become available.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

In May 2020, the Governmental Accounting Standards Board issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than the subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The County adopted the requirements of the guidance effective October 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption.

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

"Total fund balances" of the County's governmental funds, $33,666,050, differs from "net position" of governmental activities, $56,899,802, reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

Capital Related Items

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

Cost of Capital Assets	$ 157,606,355
Accumulated Depreciation/Amortization	(105,922,931)
Total	$ 51,683,424

Receivable Transactions

Certain receivables are not available to pay current period expenditures, and therefore are reported as deferred inflows of resources in the funds. Balances as of September 30, 2023 were:

Unavailable Revenue	$ 1,528,525

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position (Continued)

Long-Term Debt Transactions

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

Leases	$ (46,481)
SBITAs	(60,957)
Financed Purchases	(253,803)
Compensated Absences	(1,176,382)
Total	$ (1,537,623)

Pension Related Items

Net pension liability is not due and payable in the current period, therefore, the liabilities and related deferred outflows and inflows of resources are not reported in the funds. Balances as of September 30, 2023 were:

Net Pension Liability	$ (31,149,525)
Deferred Outflows of Resources - Pension Related Items	7,698,372
Deferred Inflows of Resources - Pension Related Items	(2,464,872)
Total	$ (25,916,025)

Other Postemployment Benefits Related Items

Total OPEB liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not report in the funds. Balances as of September 30, 2023 were:

Total OPEB Liability	$ (2,068,235)
Deferred Outflows of Resources - OPEB Related	174,113
Deferred Inflows of Resources - OPEB Related	(630,427)
Total	$ (2,524,549)

Elimination of Interfund Receivables/Payables

Interfund receivables and payables in the amount of $1,283,722 between governmental funds have been eliminated for the statement of net position.

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

Explanation of Differences Between the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances to Changes in Net Position on the Statement of Activities

The "net change in fund balances" for governmental funds, ($458,190) differs from the "change in net position" for governmental activities, ($4,097,685) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effects of the differences are illustrated below.

Capital Related Items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decreases by the amount of depreciation/amortization expense charged for the year.

Capital Outlay	$ 6,547,457
Depreciation/Amortization Expense	(4,720,643)
Difference	$ 1,826,814

Long-Term Debt Transactions

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Net Change in Compensated Absences	$ (18,585)
Issuance of SBITAs	(23,736)
Principal Repayment - Leases	38,253
Principal Repayment - SBITAs	38,231
Principal Repayment - Financed Purchases	154,159
Net Adjustment	$ 188,322

Revenue Transactions

Some revenue reported in the statement of activities will not be collected for several months after the fiscal year-end and, therefore, are not reported as revenues in governmental funds.

Intergovernmental Revenues	$ (1,789,516)
Charges for Services	125,836
Total	$ (1,663,680)

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

Explanation of Differences Between the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances to Changes in Net Position on the Statement of Activities (Continued)

Pension Related Items

Changes in net pension liability and related pension amounts reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Pension Expense	$ (4,040,497)

Other Postemployment Benefits Related Items

Changes in total OPEB liability and related OPEB amounts reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

OPEB Expense	$ 49,546

Reclassification and Eliminations

Transfers in and transfers out in the amount of $1,612,286 between governmental funds are eliminated.

NOTE 3 CASH AND CASH EQUIVALENTS

At September 30, 2023, the bank balance of the County's deposits consisted of demand deposits of $38,949,589.

Custodial Credit Risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the County's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, Florida Department of Financial Services. Other than the preceding, the County has no policy on custodial credit risk.

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

Collateral is provided for demand deposits through the Florida Security for Public Deposits Act. This law establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under this law, the qualified public depository must pledge at least 25% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

Additional collateral, up to a maximum of 150%, may be required if deemed necessary under the conditions set forth in this law. Eligible collateral consists of obligations of the United States and its agencies and obligations of states and their local political subdivisions and unaffiliated corporations.

Obligations pledged to secure deposits must be delivered to the Department of Financial Services or, with the approval of the Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the Chief Financial Officer. On a monthly basis, the Chief Financial Officer determines that the collateral has a market value adequate to cover the deposits under the provisions of this law.

A reconciliation of deposits to amounts shown on the statement of net position and statement of fiduciary net position – fiduciary funds is as follows:

Deposits	$ 38,071,581
Petty Cash and Change Funds	4,070
Total	$ 38,075,651
Statement of Net Position:	
Cash and Cash Equivalents	$ 35,121,910
Cash and Cash Equivalents - Restricted	1,850,567
Statement of Fiduciary Net Position - Fiduciary Funds:	
Cash	1,103,174
Total	$ 38,075,651

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable consist of the following at September 30, 2023 for the governmental funds individual major funds and nonmajor funds:

	General Fund	Trans-portation Trust Fund	Fire Control Fund	Other Governmental Funds	Total Governmental Funds
Receivables:					
Emergency Medical Services	$ 891,984	$ -	$ -	$ -	$ 891,984
Miscellaneous	269,922	4,704	605	230,448	505,679
Accounts Receivable, Gross	1,161,906	4,704	605	230,448	1,397,663
Less: Allowance for Uncollectible Accounts	(291,557)	-	-	-	(291,557)
Accounts Receivable, Net	$ 870,349	$ 4,704	$ 605	$ 230,448	$ 1,106,106

Accounts receivable consist of the following at September 30, 2023 for the enterprise funds individual major funds and nonmajor fund:

	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandolah Wastewater Treatment Fund (Nonmajor Fund)	Total Enterprise Funds
Receivables:				
Landfill Charges	$ 88,654	$ -	$ -	$ 88,654
Utility Charges	-	175,795	52	175,847
Accounts Receivable, Net	$ 88,654	$ 175,795	$ 52	$ 264,501

NOTE 5 LEASE RECEIVABLES

The County, acting as lessor, leasing a building space under one long-term, noncancelable lease agreement. This agreement expires in 2025 and provides for renewal options in various terms. During the year ended September 30, 2023, the County recognized $23,989 and $1,284 in lease revenue and interest revenue, respectively, pursuant to these contracts.

The lease does not provide for any increases in future minimum rental payments.

Total future minimum lease payments to be received under lease agreements are as follows:

	Governmental Activities	
Year	Principal	Interest
2024	$ 18,293	$ 691
2025	12,145	121
Total Minimum Lease Payments	$ 30,438	$ 812

NOTE 6 DETAIL OF CAPITAL ASSETS

A summary of changes in capital assets for the year ended September 30, 2023 is as follows:

	Balance October 1, 2022	Additions	(Deletions)	Transfers/ Reclassification	Balance September 30, 2023
GOVERNMENT ACTIVITIES					
Capital Assets, Not Being Depreciated					
Land	$ 3,691,552	$ -	$ -	$ -	$ 3,691,552
Construction in Progress	1,997,151	1,267,459	-	(1,489,212)	1,775,398
Total Capital Assets, Not Being Depreciated	5,688,703	1,267,459	-	(1,489,212)	5,466,950
Capital Assets, Being Depreciated:					
Buildings and Improvements	26,394,321	113,633	(15,260)	-	26,492,694
Equipment	23,006,957	1,955,845	(1,932,501)	19,856	23,050,157
Infrastructure	97,554,676	3,340,316	-	1,489,212	102,384,204
Total Capital Assets, Being Depreciated	146,955,954	5,409,794	(1,947,761)	1,509,068	151,927,055
Less: Accumulated Depreciation:					
Buildings and Improvements	(14,096,316)	(586,554)	-	-	(14,682,870)
Equipment	(15,854,673)	(1,613,341)	1,788,425	(14,052)	(15,693,641)
Infrastructure	(73,003,565)	(2,438,823)	-	-	(75,442,388)
Total Accumulated Depreciation	(102,954,554)	(4,638,718)	1,788,425	(14,052)	(105,818,899)
Total Capital Assets, Being Depreciated, Net	44,001,400	771,076	(159,336)	1,495,016	46,108,156
Right-to-Use Lease Assets:					
Equipment	144,866	-	(31,704)	-	113,162
Less: Accumulated Amortization:					
Equipment	(53,811)	(46,393)	31,704	-	(68,500)
Total Right-to-Use Lease Assets, Net	91,055	(46,393)	-	-	44,662
Subscription-Based Information Technology Arrangement Assets:					
Subscription-Based Information Technology Arrangements [1]	75,452	23,736	-	-	99,188
Less: Accumulated Amortization:					
Subscription-Based Information Technology Arrangements [1]	-	(35,532)	-	-	(35,532)
Total Subscription-Based Information Technology Arrangement Assets, Net	75,452	(11,796)	-	-	63,656
Governmental Activities Capital Assets, Net	$ 49,856,610	$ 1,980,346	$ (159,336)	$ 5,804	$ 51,683,424

[1] Restatement of capital assets as of October 1, 2022, is a result of implementing GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* during the 2023 fiscal year.

NOTE 6 DETAIL OF CAPITAL ASSETS (CONTINUED)

	Balance October 1, 2022	Additions	(Deletions)	Transfers/ Reclassification	Balance September 30, 2023
BUSINESS-TYPE ACTIVITIES					
Capital Assets, Not Being Depreciated					
Land	$ 962,625	$ -	$ -	$ -	$ 962,625
Construction in Progress	1,854,430	315,112	-	(1,755,965)	413,577
Total Capital Assets, Not Being Depreciated	2,817,055	315,112	-	(1,755,965)	1,376,202
Capital Assets, Being Depreciated:					
Buildings and Improvements	9,954,376	-	-	-	9,954,376
Equipment	4,075,344	128,033	-	(19,855)	4,183,522
Infrastructure	21,835,139	15,710	-	1,755,964	23,606,813
Total Capital Assets, Being Depreciated	35,864,859	143,743	-	1,736,109	37,744,711
Less: Accumulated Depreciation:					
Buildings and Improvements	(2,639,235)	(85,999)	-	-	(2,725,234)
Equipment	(2,181,786)	(284,092)	-	14,052	(2,451,826)
Infrastructure	(14,447,604)	(869,212)	-	-	(15,316,816)
Total Accumulated Depreciation	(19,268,625)	(1,239,303)	-	14,052	(20,493,876)
Total Capital Assets, Being Depreciated, Net	16,596,234	(1,095,560)	-	1,750,161	17,250,835
Right-to-Use Lease Assets:					
Equipment	4,909	-	-	-	4,909
Less: Accumulated Amortization:					
Equipment	(2,181)	(2,181)	-	-	(4,362)
Total Right-to-Use Lease Assets, Net	2,728	(2,181)	-	-	547
Business-Type Activities Capital Assets, Net	$ 19,416,017	$ (782,629)	$ -	$ (5,804)	$ 18,627,584

Depreciation/amortization expense for the year ended September 30, 2023 was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
General Government	$ 962,151
Public Safety	1,034,332
Physical Environment	7,389
Transportation	2,687,630
Human Services	20,055
Culture/Recreation	9,086
Total Depreciation/Amortization Expense	$ 4,720,643
BUSINESS-TYPE ACTIVITIES	
Solid Waste	$ 467,691
Wauchula Hills Water/Wastewater Treatment	750,041
Vandolah Wastewater Treatment	23,752
Total Depreciation/Amortization Expense	$ 1,241,484

NOTE 7 LONG-TERM LIABILITIES

A summary of the changes in long-term liabilities for the year ended September 30, 2023 is as follows:

	Balance October 1, 2022	Additions	(Reductions)	Balance September 30, 2023	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Direct Borrowing:					
Financed Purchases	$ 407,962	$ -	$ (154,159)	$ 253,803	$ 156,385
Leases	84,734	-	(38,253)	46,481	20,785
SBITAs [1]	75,452	23,736	(38,231)	60,957	40,508
Compensated Absences	1,157,797	18,585	-	1,176,382	1,128,968
Total Governmental Activities	$ 1,725,945	$ 42,321	$ (230,643)	$ 1,537,623	$ 1,346,646
BUSINESS-TYPE ACTIVITIES					
Direct Borrowing:					
FLGFC Note	$ 2,430,000	$ -	$ (350,000)	$ 2,080,000	$ 350,000
Leases	2,774	-	(2,208)	566	566
Compensated Absences	5,287	-	-	5,287	1,856
Landfill Closure and Postclosure Costs	5,413,436	-	558,779	5,972,215	188,899
Total Business-Type Activities	$ 7,851,497	$ -	$ 206,571	$ 8,058,068	$ 541,321

[1] Restatement of long term liabilities as of October 1, 2022, is a result of implementing GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* during the 2023 fiscal year.

Compensated Absences

Compensated absences represent the vested portion of leave credits. See Note 1 for a summary of the County's compensated absences policy. The liability for compensated absences is liquidated with resources of the General Fund, Transportation Trust Fund, Fire Control Fund, Grants Fund, Solid Waste Fund, Wauchula Hills Water/Wastewater Fund, and nonmajor governmental and enterprise funds.

Direct Borrowing – FLGFC Note

The Board issued a note payable to the Florida Local Government Finance Commission (FLGFC) for $2,780,000 during fiscal year 2021 for the purposes of providing the Board with sufficient funds to refinance an existing loan previously made to the County by FLGFC. Principal payments are due annually, beginning March 1, 2022. Interest payments are due monthly, based on the market rate of commercial paper. The note is payable from and secured by designated revenues of the Board. During the year, $350,000 of principal and $98,482 in interest and related fees were paid. The note contains a provision that in an event of default, all payments may become due and payable.

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Direct Borrowing – FLGFC Note (Continued)

Maturity is as follows:

	Business-Type Activities	
	Florida Local Government Finance Commission	
Year Ending September 30,	Principal	Interest
2024	$ 350,000	$ 69,974
2025	350,000	56,918
2026	1,380,000	21,449
Total	$ 2,080,000	$ 148,341

Direct Borrowing - Financed Purchases

The County financed the purchase of a fire truck and an ambulance. Principal and interest is payable in annual instalments of $100,776 beginning in January 2021 at 3.45% interest through January 2025 for the fire truck. Principal and interest is payable in annual instalments of $64,302 beginning in February 2021 at 3.36% interest through February 2024 for the ambulance. In the event of default, the County agrees to return the equipment to the lessor.

Maturities are as follows:

	Governmental Activities	
	Financed Purchases	
Year Ending September 30,	Principal	Interest
2024	$ 156,385	$ 8,693
2025	97,418	3,358
Total	$ 253,803	$ 12,051

Lessee Arrangement

The County leases equipment under long-term, noncancelable lease agreements. The leases expire at various dates through 2027 and provide for renewal options in various terms.

Total future minimum lease payments under lease agreements are as follows:

	Governmental Activities		Business-Type Activities		
Year	Principal	Interest	Principal	Interest	Total
2024	$ 20,785	$ 1,165	$ 566	$ 3	$ 22,519
2025	18,582	533	-	-	19,115
2026	6,836	64	-	-	6,900
2027	278	1	-	-	279
Total Minimum Lease Payments	$ 46,481	$ 1,763	$ 566	$ 3	$ 48,813

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Subscription-Based Information Technology Arrangements (SBITA)

SBITAs entered into by the County are included as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance in the year of inceptions. Payments made in accordance with the SBITA terms are reported as debt service expenditures as they are incurred.

Total future minimum SBITA payments under subscription agreements are as follows:

	Governmental Activities		Total
	Principal	Interest	
2024	$ 40,508	$ 1,209	$ 41,717
2025	14,149	314	14,463
2026	6,300	-	6,300
Total Minimum SBITA Payments	$ 60,957	$ 1,523	$ 62,480

NOTE 8 DUE TO/DUE FROM OTHER FUNDS

The balance of due from other funds and due to other funds are as follows at September 30, 2023:

	Due from Other Funds	Due to Other Funds
Major Funds:		
General Fund	$ 906,966	$ 161,021
Transportation Trust	29,134	-
Grants Fund	5,724	863,811
Wauchula Hills Water/Wastewater Treatment Fund	748	-
Nonmajor Governmental Funds	341,150	258,890
Total	$ 1,283,722	$ 1,283,722

Amounts due to and from other funds arise from timing differences as a result of transactions and cash transfers for operating purposes.

NOTE 9 FUND BALANCES

The governmental funds are classified as follows:

Nonspendable		$ 652,553
Restricted:		
Court Innovations	$ 526,242	
Court Technology	14,065	
Economic Development Authority:		
Economic Development	7,370,250	
Recreation	1,003,253	
E-911	576,475	
Grants	1,565,435	
Inmate Welfare	128,191	
Law Enforcement Education	53,470	
Law Enforcement Trust	72,232	
Law Enforcement - Other	9,517	
Records Modernization	168,572	
Tourist Development	371,503	
Transportation	4,355,817	
Total Restricted		16,215,022
Committed:		
Clerk Related Functions	119,751	
Fire Control	1,107,854	
Mining	12,810	
Total Committed		1,240,415
Assigned		
County Operations	82,445	
Recreation	1,026,535	
Total Assigned		1,108,980
Unassigned		14,449,080
Total Fund Balances		$ 33,666,050

NOTE 10 DEFINED BENEFIT PENSION PLANS

Florida Retirement System Pension Plan

Background

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

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Background (Continued)

Essentially all regular employees of the County are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- Regular Class – Members of the FRS who do not qualify for membership in the other classes.
- Elected County Officers Class – Members who hold specified elective offices in local government.
- Senior Management Service Class (SMSC) – Members in senior management level positions.
- Special Risk Class – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service:	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement up to age 63 or up to 31 years of service	1.63
Retirement up to age 64 or up to 32 years of service	1.65
Retirement up to age 65 or up to 33 years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement up to age 66 or up to 34 years of service	1.63
Retirement up to age 67 or up to 35 years of service	1.65
Retirement up to age 68 or up to 36 years of service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The contribution rates attributable to the County, effective July 1, 2022, were applied to employee salaries as follows: regular employees 11.91%, special risk 27.83%, county elected officials 57.00%, senior management 31.57%, and DROP participants 18.60%. The County's contributions to the FRS Plan were $3,063,548 for the year ended September 30, 2023.

Pension Costs

At September 30, 2023, the County reported a liability of $24,869,760 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The County's proportion of the net pension liability was based on the County's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2022, through June 30, 2023, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2023, the County's proportion was 0.062413482%, which was an increase of 0.004952627% from its proportion measured as of June 30, 2022.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Costs (Continued)

For the year ended September 30, 2023, the County recognized pension expense of $4,903,666 for its proportionate share of FRS's pension expense. In addition, the County reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 2,335,064	$ -
Changes in Actuarial Assumptions	1,621,220	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,038,630	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	1,364,901	(1,615,815)
County Contributions Subsequent to the Measurement Date	766,634	-
Total	$ 7,126,449	$ (1,615,815)

$766,634 reported as deferred outflows of resources related to pensions resulting from County contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ending September 30,	Amount
2024	$ 457,249
2025	(464,199)
2026	3,967,898
2027	592,339
2028	190,713
Thereafter	-

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Actuarial Assumptions

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

FRS Actuarial Assumptions	
Inflation	2.40% Per Year
Salary Increases	3.25%, Average, Including Inflation
Investment Rate of Return	6.70%

Mortality rates were based on the PUB-2010 base table, varies by member category and sex, projected generationally with Scale MP-2018. The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return on 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, as outlined in the FRS Plan's investment policy, and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard 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	7.1	18.1
Real Estate	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
Totals	100.0 %			
Assumed Inflation - Mean			2.4 %	1.4 %

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.70% for the FRS Plan, which was no change from the 6.70% rate as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

The following presents the County's proportionate share of the net pension liability for the FRS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.70%	6.70%	7.70%
County's Proportionate Share of the FRS Plan Net Pension Liability	$ 42,482,678	$ 24,869,760	$ 10,134,515

Pension Plan Fiduciary Net Position

Detailed information about the FRS Plan's fiduciary's net position is available in a separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at http://www.dms.myflorida.com.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

etiree Health Insurance Subsidy Program (Continued)

Benefits Provided

Eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 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.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the plan fiscal year ended June 30, 2023, the contribution rate was 1.66% of payroll pursuant to section 112.363, Florida Statutes. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The County's contributions to the HIS Plan were $304,244 for the year ended September 30, 2023.

Pension Costs

At September 30, 2023, the County reported a liability of $7,116,212 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The County's proportion of the net pension liability was based on the County's contributions received by HIS during the measurement period for employer payroll paid dates from July 1, 2022 through June 30, 2023, relative to the total employer contributions received from all participating employers. At June 30, 2023, the County's proportion was 0.044808654%, which was an increase of 0.002639150% from its proportion measured as of June 30, 2022.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Costs (Continued)

For the year ended September 30, 2023, the County recognized pension expense of $2,684,484 for its proportionate share of HIS's pension expense. In addition, the County reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 104,176	$ (16,703)
Changes in Actuarial Assumptions	187,083	(616,644)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,675	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	398,631	(300,842)
County Contributions Subsequent to the Measurement Date	77,567	-
Total	$ 771,132	$ (934,189)

$77,567 reported as deferred outflows of resources related to pensions resulting from County contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ending September 30,	Amount
2024	$ (50,467)
2025	(20,559)
2026	(43,620)
2027	(106,425)
2028	(28,977)
Thereafter	9,424

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

HIS Actuarial Assumptions	
Inflation	2.40% Per Year
Salary Increases	3.25%, Average, Including Inflation
Municipal Bond Rate	3.65%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018. The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 3.65% for the HIS Plan, which was a 0.11 increase from the 3.54% rate as of June 30, 2022. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Pension Liability Sensitivity

The following presents the County's proportionate share of the net pension liability for the HIS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.65%	3.65%	4.65%
County's Proportionate Share of the HIS Plan Net Pension Liability	$ 8,118,487	$ 7,116,212	$ 6,285,393

Pension Plan Fiduciary Net Position

Detailed information about the HIS Plan's fiduciary's net position is available in a separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at http://www.dms.myflorida.com.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Summary

The aggregate amount of net pension liability, related deferred inflows of resources, and deferred outflows of resources, and pension expense for the County's defined benefit pension plans are summarized below. These liabilities are typically liquidated by the individual funds in which the employee's costs are associated.

	FRS Plan	HIS Plan	Total
Net Pension Liability	$ 24,869,760	$ 7,116,212	$ 31,985,972
Deferred Outflows of Resources	7,126,449	771,132	7,897,581
Deferred Inflows of Resources	1,615,815	934,189	2,550,004
Pension Expense	4,903,666	2,684,484	7,588,150

NOTE 11 DEFINED CONTRIBUTION PLAN

FRS Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of Plan members.

NOTE 11 DEFINED CONTRIBUTION PLAN (CONTINUED)

FRS Investment Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the plan fiscal year ended June 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County's Investment Plan pension expense totaled $821,852 for the year ended September 30, 2023. Employee contributions to the Investment Plan totaled $122,623 for the year ended September 30, 2023.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The County administers a single employer defined benefit healthcare plan entitled County Group Health Plan. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the County may continue to participate in the County Group Health Plan on the same basis (i.e., single or family coverage) that they were covered immediately before their retirement provided they make a satisfactory agreement for payment and pay 100% of the premium before the beginning of each month of coverage. The County subsidizes the premium rates paid by retirees by allowing them to participate in the plan at a reduced or blended group (implicitly subsidized) premium rate for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The plan does not issue a publicly available report.

The County's total OPEB liability was $2,181,682, OPEB related deferred outflows of resources was $183,663, deferred inflows of resources was $665,008 and OPEB expense was $60,624.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Funding Policy

Contribution requirements of the County are established and may be amended through the County. The plan is currently being funded on a pay-as-you-go basis. No trust fund has been established for the plan.

Employees Covered by Benefit Terms

At September 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	11
Active Plan Members	324
Total	335

Total OPEB Liability

The County's Total OPEB liability was measured as of September 30, 2023 and was determined by an actuarial valuation as of October 1, 2022 with no adjustments to get to the September 30, 2023 measurement date. The following table shows the County's total OPEB liability for the year ended September 30, 2023.

	Total OPEB Liability
Balances - October 1, 2022	$ 2,058,324
Changes for the Year:	
Service Cost	84,011
Interest	99,944
Changes in Assumptions	(14,610)
Differences Between Expected and Actual Experience	49,256
Benefit Payments	(95,243)
Net Changes	123,358
Balances - September 30, 2023	$ 2,181,682

Discount Rate Sensitivity

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

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	3.87 %	4.87 %	5.87 %
Total OPEB Liability	$ 2,328,447	$ 2,181,682	$ 2,037,372

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Healthcare Trend Rate Sensitivity

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

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB Plan Health Care Cost Rate	6.00 %	7.00 %	8.00 %
Total OPEB Liability	$ 1,934,918	$ 2,181,682	$ 2,472,389

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the County recognized OPEB expense of $60,624. In addition, the County reported deferred outflows and inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 133,724	$ (223,694)
Changes of Assumptions	49,939	(441,314)
Total	$ 183,663	$ (665,008)

Amounts reported as deferred outflows and inflows of resources related to OPEB will be amortized over future fiscal years as follows:

Year Ending September 30,	Amount
2024	$ (123,330)
2025	(123,330)
2026	(123,336)
2027	(117,126)
2028	5,777

Actuarial Assumptions

The total OPEB liability as of September 30, 2023 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate used was 3.25%.

The current health care trend rate starts at an initial rate of 7.0% decreasing to an ultimate rate of 4.50%.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions (Continued)

The actuarial cost method used was Entry Age Normal Level % of Salary.

Mortality rates were based on the SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021 for special risk employees and SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 for all other employees.

The discount rate used to measure the total OPEB liability was 4.87%, based on the yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of September 30, 2023 (measurement date). The prior measurement date used 4.77%.

For Sheriff's office retirees that are receiving an explicit subsidy, retiree contributions are assumed to increase by 1.00% per year. For all other retirees, retiree contributions are assumed to increase according to health care trend rates.

Since the most recent GASB 75 valuation, the following changes have been made:

- The discount rate as of the measurement date is 4.87%. The prior measurement used 4.77%.
- Health care trend rates were updated to an initial rate of 7.0% decreasing by 0.5% annually to an ultimate rate of 4.5%.

NOTE 13 RISK MANAGEMENT

The County is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County, with the exception of the Sheriff, is a member of Public Risk Management of Florida (PRM), a local government risk management pool. The PRM program is structured under a self-insured retention insurance program, whereby PRM pays claims up to a specified amount annually for property and general liability, public officials' liability, automobile liability and workers' compensation. PRM purchases excess insurance or stop loss insurance from commercial carriers to cover losses above the self-insured retention amounts.

PRM assesses each member it's pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments (premiums) do not produce sufficient funds to meet its obligations, PRM can make additional limited assessments. Losses, if any, in excess of PRM's ability to assess its members would revert back to the member that incurred the loss. PRM requires a one-year advance notice for nonrenewal.

NOTE 13 RISK MANAGEMENT (CONTINUED)

The Sheriff participates in the Florida Sheriffs Risk Management Fund (FSRMF) which is a public entity risk pool that permits the Sheriff to cover the following types of risk:

- Law Enforcement Liability
- Public Officials' Liability
- Automobile Physical Damage and Liability
- And others

The funding agreements provide that the self-insurance funds will be self-sustaining through member premiums and that the Sheriff's liability fund will reinsure through commercial companies. Those funds and program absorb losses up to a specified amount annually and purchases excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operating expenses. Losses, if any, in excess of the fund or program ability to assess its members would revert back to the member that incurred the loss.

The Sheriff also participants in FSRMF for workers' compensation coverage.

There is no significant reduction in insurance coverage from the prior year. The insurance settlements have not exceeded the County's insurance coverage in any of the prior three fiscal years.

NOTE 14 COMMITMENTS AND CONTINGENCIES

Contracts

The County has entered into various contracts for design, construction, and other services as of September 30, 2023.

Project	Project Authorization	Expended to Date	Commitment
Wauchula Hills Phase 7	$ 330,710	$ 198,320	$ 132,390
Wauchula Hills Phase 8	526,087	81,827	444,260
Center Hill	235,802	190,999	44,803
Professional Surveying	302,918	236,991	65,927
Torrey Preserves	119,046	31,848	87,198
South Hammock Road	141,700	32,016	109,684
Sheriff's Office Expansion	263,800	55,250	208,550
Agricultural Education Training Center	139,800	126,000	13,800
Wauchula Hills Pumping Improvements Phase 8	326,290	78,030	248,260

NOTE 14 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Landfill Closure Commitments

Hardee County has completed two approximate 6-acre expansions (Phase II) of their original 12.3 acre Class I Landfill (Phase I). This brings the total footprint up to 24.8 acres. Phase I was at capacity in 2010 and received a partial final closure in January of 2012. Phase II is separated into two sections (Sections I and II). Section I became operational in May 2008 and last received waste in November 2019. Section II became operational in May 2019 and has an expected life of 25 years.

To minimize the threat to public health and the environment, Solid Waste Financial Assurance requirement were adopted by the state in 1984 to secure the proper closing of solid waste management facilities operating in the state of Florida. When demonstrating proof of financial assurance, Hardee County uses a secured escrow account to deposit annual prorated amounts for the total cost of final closure. These estimates are tied directly to a set of approved cost closure and long-term care estimates that are prepared by professional engineers every two years and updated with an inflation factor every two years. These estimates are approved by the State of Florida's Department of Environmental Protections and audited annually by independent auditors. Long-term care is for the post-closure care cost for the landfill site for 30 years after closure and the County is not required to escrow those estimated amounts.

Although closure and post-closure care costs are paid only near or after the date the landfill stops accepting waste, the County reports as a liability a portion of closure and post-closure care costs based on landfill capacity used as of the balance sheet date. At September 30, 2023, the County estimates that the cost of permanently closing and caring for the landfill in accordance with current regulations will be $9,853,694. The landfill closure and post-closure care liability was $5,972,215 at September 30, 2023; and represents the cumulative amount reported to date based on an average use of 60.61% of the total estimated capacity available as of September 30, 2023. The County will recognize the remaining $3,881,479 will be recognized as the remaining estimated capacity is filled. There was an increase in the liability due to the decrease in available capacity and current year inflation. The increase in the liability caused the general and administrative expenses to be increased by $558,779 as of September 30, 2023. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by State and Federal laws and regulation to make annual contributions to a landfill management escrow account to finance only the closure portion of the estimates. That portion was $100,000 at September 30, 2023. The County is in compliance with these requirements at September 30, 2023. At September 30, 2023, $1,850,567 is held in a separate cash account to fund the estimated closure costs of the regional landfill, materials recovery facility, and waste tire facility. The County expects that future inflation costs will be paid from future contributions and interest earnings on these contributions. In the event closure escrow and interest earnings prove inadequate due to higher than expected inflation changes in technology or changes in laws and regulations, these costs may need to be financed by future landfill uses or future tax revenue. The County intends to fund these costs annually through its solid waste special assessment.

NOTE 14 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Contingencies

The County is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. It is the opinion of management that resolution of these matters will not have a material adverse effect on the financial condition of Hardee County, Florida.

The County participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2023, have not yet been accepted/approved by the grantors. Accordingly, the final determination of the County's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the County expects such amounts, if any, to be immaterial.

NOTE 15 TRANSFERS

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

Transfers during the year ended September 30, 2023 consisted of the following:

Transfers to the General Fund from:		
Fire Control Fund	$	106,500
Grants Fund		46,941
Nonmajor Governmental Funds		73,001
Solid Waste Fund		46,500
Total	$	272,942
Transfers to the Transportation Trust Fund from:		
General Fund	$	213
Solid Waste Fund		14,182
Wauchula Hills Water/Wastewater Treatment Fund		6
Total	$	14,401
Transfers to the Grants Fund from:		
General Fund	$	10,946
Transfers to the Emergency Disaster Fund from:		
General Fund	$	133,659
Transfers to the Nonmajor Governmental Funds from:		
General Fund	$	573,455
Nonmajor Governmental Funds		667,571
Total	$	1,241,026

NOTE 16 STATE HOUSING INITIATIVE PARTNERSHIP PROGRAM (SHIP)

The State Housing Initiative Program Trust Fund (SHIP) is included in the Grants fund. Separate financial information for this program is reported below

Balance Sheet
September 30, 2023

ASSETS		
Cash	$	1,622,388
Due from Other Governments		350,000
Total Assets		1,972,388
LIABILITIES		
Accounts Payable and Accrued Liabilities		266,497
FUND BALANCE		1,705,891
Total Liabilities and Fund Balance	$	1,972,388

Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended September 30, 2023

REVENUES		
Intergovernmental	$	1,267,980
Interest		19,873
Miscellaneous		75,470
Total Revenues		1,363,323
EXPENDITURES		
Economic Environment		427,442
NET CHANGE IN FUND BALANCE		935,881
Fund Balances - Beginning of Year		770,010
FUND BALANCES - END OF YEAR	$	1,705,891

NOTE 17 PRIOR PERIOD RESTATEMENT

Change due to Correction of an Error

During the year ended September 30, 2023, the County discovered that revenue in fiscal year 2022 was understated. To correct this error, beginning fund balance of the Grants Fund and net position of governmental activities have been restated as follows:

	Grants Fund
Fund Balance, Beginning of Year, as Previously Reported	$ 305,430
Restatement: Revenue Not Recognized in a Prior Year	34,167
Fund Balance, Beginning of Year, as Restated	$ 339,597

	Governmental Activities
Net Position, Beginning of Year, as Previously Reported	$ 60,963,320
Restatement: Revenue Not Recognized in a Prior Year	34,167
Net Position, Beginning of Year, as Restated	$ 60,997,487

Additional information can be found within the Schedule of Findings and Questioned Cost, Finding 2023-004.

NOTE 18 SUBSEQUENT EVENT

Hurricane Relief Loan

On April 18, 2024, the County entered into the Hurricane Legislative Appropriation Program Agreement D1521 with the State of Florida, Division of Emergency Management to receive a 0% loan in the amount of $4,846,343 for hurricane repairs and recovery, infrastructure repairs, and loss of local and county revenues within counties designated in the FEMA disaster declarations for Hurricane Ian and/or Hurricane Nicole.

REQUIRED SUPPLEMENTARY INFORMATION

HARDEE COUNTY, FLORIDA
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS — COUNTY GROUP HEALTH PLAN[1]
LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	$ 84,011	$ 138,220	$ 134,279	$ 191,082	$ 161,402	$ 167,907
Interest	99,944	53,758	49,740	101,430	100,833	85,298
Changes of Assumptions	(14,610)	(234,664)	(2,029)	(543,367)	112,359	-
Differences Between Expected and Actual Experience	49,256	62,547	26,776	(385,394)	84,588	(92,982)
Benefit Payments	(95,243)	(70,758)	(58,020)	(94,016)	(76,725)	(71,042)
Net Change in Total OPEB Liability	123,358	(50,897)	150,746	(730,265)	382,457	89,181
Total OPEB Liability - Beginning	2,058,324	2,109,221	1,958,475	2,688,740	2,306,283	2,217,102
Total OPEB Liability - Ending	$ 2,181,682	$ 2,058,324	$ 2,109,221	$ 1,958,475	$ 2,688,740	$ 2,306,283
Covered Employee Payroll	$ 16,761,132	$ 14,602,325	$ 15,426,167	$ 14,940,598	$ 14,915,824	$ 14,094,511
Total OPEB Liability as a percentage of the Covered Employee Payroll	13.02%	14.10%	13.67%	13.11%	18.03%	16.36%

Notes to Schedule:
The OPEB plan is not administered through a trust.
For fiscal year ending September 30, 2023, a September 30, 2023 measurement date was used.
Change of assumptions:
Discount rate as of the Measurement Date has been updated to be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale. The current full valuation uses a discount rate of 4.87% as of September 30, 2023 and 4.77% as of October 1, 2022.
The salary scale assumption has been updated based on the Florida Retirement System actuarial valuation as of July 1, 2021.
Health care trend rates have been updated to an initial rate of 7.0% decreasing by 0.5% annually to an ultimate rate of 4.5%.

[1] Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available

HARDEE COUNTY, FLORIDA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY — FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN MEASUREMENT PERIODS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's Proportion of the Net Pension Liability	0.062413482%	0.057460855%	0.059909115%	0.066685442%	0.065592527%	0.066277420%	0.068142507%	0.067373223%	0.064108020%	0.061994926%
County's Proportionate Share of the Net Pension Liability	$ 24,869,760	$ 21,380,056	$ 4,525,452	$ 28,902,453	$ 22,589,162	$ 19,963,112	$ 20,156,103	$ 17,011,793	$ 8,280,411	$ 3,782,602
County's Covered Payroll	$ 17,470,433	$ 15,595,174	$ 15,598,669	$ 15,351,492	$ 14,621,730	$ 14,194,202	$ 14,224,013	$ 13,473,315	$ 14,257,015	$ 13,402,755
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	142.35 %	137.09 %	29.01 %	188.27 %	154.49 %	140.64 %	141.70 %	126.26 %	58.08 %	28.22 %
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 %

* The amount presented for each fiscal year were determined as of June 30.

HARDEE COUNTY, FLORIDA
SCHEDULE OF THE COUNTY CONTRIBUTIONS — FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	$ 3,063,548	$ 2,530,645	$ 2,294,475	$ 2,223,991	$ 2,097,771	$ 1,914,809	$ 1,790,358	$ 1,764,185	$ 1,575,522	$ 1,695,399
Contributions in Relation to the Contractually Required Contribution	(3,063,548)	(2,530,645)	(2,294,475)	(2,223,991)	(2,097,771)	(1,914,809)	(1,790,358)	(1,764,185)	(1,575,522)	(1,695,399)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's Covered Payroll	$ 17,280,041	$ 15,657,874	$ 15,479,688	$ 15,423,083	$ 14,915,824	$ 14,097,511	$ 14,288,767	$ 14,029,458	$ 14,257,015	$ 13,402,755
Contributions as a Percentage of Covered Payroll	17.73 %	16.16 %	14.82 %	14.42 %	14.06 %	13.58 %	12.53 %	12.57 %	11.05 %	12.65 %

* The amount presented for each fiscal year were determined as of September 30.

HARDEE COUNTY, FLORIDA
SCHEDULE OF THE COUNTY PROPORTIONATE SHARE OF THE NET PENSION LIABILITY — HEALTH INSURANCE SUBSIDIARY PENSION PLAN
LAST TEN MEASUREMENT PERIODS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's Proportion of the Net Pension Liability	0.044808654%	0.042169504%	0.044203363%	0.044663786%	0.043825156%	0.043720469%	0.044410650%	0.043992580%	0.044020471%	0.043481289%
County's Proportionate Share of the Net Pension Liability	$ 7,116,212	$ 4,466,424	$ 5,422,207	$ 5,453,376	$ 4,903,596	$ 4,627,423	$ 4,748,636	$ 5,127,153	$ 4,489,399	$ 4,065,607
County's Covered Payroll	$ 17,470,433	$ 15,595,175	$ 15,598,669	$ 15,351,492	$ 14,621,730	$ 14,194,202	$ 14,224,013	$ 13,473,315	$ 14,257,015	$ 13,402,755
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	40.73 %	28.64 %	34.76 %	35.52 %	33.54 %	32.60 %	33.38 %	38.05 %	31.49 %	30.33 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	4.12 %	4.81 %	3.56 %	3.00 %	2.63 %	2.15 %	1.64 %	0.97 %	0.50 %	0.99 %

* The amount presented for each fiscal year were determined as of June 30.

HARDEE COUNTY, FLORIDA
SCHEDULE OF THE COUNTY CONTRIBUTIONS — HEALTH INSURANCE SUBSIDIARY PENSION PLAN
LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	$ 304,244	$ 256,201	$ 257,314	$ 257,563	$ 248,696	$ 235,677	$ 238,909	$ 234,651	$ 180,890	$ 182,277
Contributions in Relation to the Contractually Required Contribution	(304,244)	(256,201)	(257,314)	(257,563)	(248,696)	(235,677)	(238,909)	(234,651)	(180,890)	(182,277)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's Covered Payroll	$ 17,280,041	$ 15,657,874	$ 15,479,688	$ 15,423,083	$ 14,915,824	$ 14,097,511	$ 14,288,767	$ 14,029,458	$ 14,257,015	$ 13,402,755
Contributions as a Percentage of Covered Payroll	1.76%	1.64%	1.66%	1.67%	1.67%	1.67%	1.67%	1.67%	1.27%	1.36%

* The amount presented for each fiscal year were determined as of September 30.

HARDEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION
YEAR ENDED SEPTEMBER 30, 2023

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Following are descriptions of each special revenue fund.

Fines and Forfeitures Fund – Pursuant to Florida Statute 142.01, the Fines and Forfeiture Fund accounts for all fines and forfeitures collected in the County under the penal laws of the state. The fund is used to pay for criminal expenses, fees, and costs where the crime was committed in the County and to support the administrative operations of the Clerk and the Sheriff.

Law Enforcement Trust Fund – The Law Enforcement Trust Fund accounts for proceeds received pursuant to Florida Statute 932.7055 and are used for law enforcement related purposes as defined in the statute.

Clerk's Fine and Forfeiture Fund – The Clerk's Fine and Forfeiture Fund is established in accordance with Sections 28.35 and 28.37, Florida Statutes. It is used to account for court fines, fees, service charges, liabilities, and costs.

E-911 Fund – The E-911 Fund accounts for proceeds received from 911 fees and grants related to providing E-911 services within the County.

Mining Fund – The Mining Fund accounts for mining fees and mining reimbursements related to mining activities within the County.

Tourist Development Fund – The Tourist Development Fund is a special revenue fund that accounts for the restricted dollars generated from the tourist development tax to be used for items listed and approved by the tourist development board and in accordance with Florida Statute 125.0104.

Clerk's Public Records Modernization Trust Fund – The Clerk's Records Modernization Fund is established in accordance with Florida Statutes. It is used to account for court technology and public records modernization pursuant to Section 28.24, Florida Statutes.

Clerk's Child Support IV-D Fund – The Clerk's Child Support IV-D Fund is used to account for the child support enforcement grant and related expenditures. In addition, amounts that exceed operating costs of running the child support depository program are to be used for Clerk related functions as directed by the Board.

Sheriff's Commissary Fund – The Sheriff's Commissary fund accounts for commissions earned by providing goods and services to the inmates. These resources are restricted by Section 951.23, Florida Statutes.

Sheriff's Education Fund – The Sheriff's Education Fund accounts for an assessment added to certain fines under Section 938.15, Florida Statutes. These monies are restricted for criminal justice education degree programs and training courses.

SPECIAL REVENUE FUNDS (CONTINUED)

Sheriff's E-911 Fund – The Sheriff's E-911 Fund accounts for E-911 fees under Sections 365.171 and 365.172, Florida Statutes, and E-911 grants related to providing E-911 services within the County. These monies are restricted for maintenance and upgrade of the E-911 system.

Sheriff's Youth Fund – The Sheriff's Youth Fund accounts for donations received from individuals which are restricted for youth programs.

Sheriff's Flower Fund – The Sheriff's Flower Fund accounts for contributions received from employees which are restricted for employee events.

Sheriff's Drug Task Force Fund – The Sheriff's Drug Task Force Fund accounts for forfeitures received under Section 932.7055 Florida Statutes. These monies are restricted for specific law enforcement purposes.

HARDEE COUNTY, FLORIDA
COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Special Revenue Funds					
	Fines and Forfeitures	Law Enforcement Trust	Clerk's Fine and Forfeiture	E-911	Mining	Tourist Development
ASSETS						
Cash and Cash Equivalents	$ 650,527	$ 72,232	$ 339,207	$ 273,669	$ 3,571	$ 368,154
Accounts Receivable, Net	460	-	-	-	229,988	-
Due from Other Funds	-	-	-	221,985	-	-
Due from Other Governments	37,276	-	37,140	110,943	-	7,216
Prepaid Items	-	-	2,294	-	-	-
Total Assets	$ 688,263	$ 72,232	$ 378,641	$ 606,597	$ 233,559	$ 375,370
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable and Accrued Liabilities	$ 43,969	$ -	$ 10,374	$ -	$ 52,627	$ 3,867
Due to Other Funds	-	-	-	-	10,000	-
Due to Other Governments	35,607	-	355,228	-	-	-
Total Liabilities	79,576	-	365,602	-	62,627	3,867
Deferred Inflows of Resources:						
Unavailable Revenue - Intergovernmental	-	-	13,039	30,122	158,122	-
Fund Balances:						
Nonspendable	-	-	2,294	-	-	-
Restricted	526,242	72,232	-	576,475	-	371,503
Committed	-	-	-	-	12,810	-
Assigned	82,445	-	-	-	-	-
Unassigned (Deficit)	-	-	(2,294)	-	-	-
Total Fund Balances	608,687	72,232	-	576,475	12,810	371,503
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 688,263	$ 72,232	$ 378,641	$ 606,597	$ 233,559	$ 375,370

HARDEE COUNTY, FLORIDA
COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2023

	Special Revenue Funds					
	Clerk's Public Records Modernization Trust	Clerk's Child Support IV-D	Sheriff's Commissary	Sheriff's Education	Sheriff's E-911	Sheriff's Youth
ASSETS						
Cash and Cash Equivalents	$ 136,511	$ 75,805	$ 128,461	$ 33,038	$ 242,417	$ 8,425
Accounts Receivable, Net	-	-	-	-	-	-
Due from Other Funds	82,299	36,866	-	-	-	-
Due from Other Governments	-	16,405	-	-	-	-
Prepaid Items	492	-	-	-	-	-
Total Assets	$ 219,302	$ 129,076	$ 128,461	$ 33,038	$ 242,417	$ 8,425
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable and Accrued Liabilities	$ 9,268	$ 676	$ 270	$ -	$ -	$ -
Due to Other Funds	26,905	-	-	-	221,985	-
Due to Other Governments	-	-	-	-	-	-
Total Liabilities	36,173	676	270	-	221,985	-
Deferred Inflows of Resources:						
Unavailable Revenue - Intergovernmental	-	8,649	-	-	-	-
Fund Balances:						
Nonspendable	492	-	-	-	-	-
Restricted	182,637	-	128,191	33,038	20,432	8,425
Committed	-	119,751	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-	-
Total Fund Balances	183,129	119,751	128,191	33,038	20,432	8,425
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 219,302	$ 129,076	$ 128,461	$ 33,038	$ 242,417	$ 8,425

HARDEE COUNTY, FLORIDA
COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2023

	Special Revenue Funds		
	Sheriff's Flower	Sheriff's Drug Task Force	Total Other Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 1,135	$ -	$ 2,333,152
Accounts Receivable, Net	-	-	230,448
Due from Other Funds	-	-	341,150
Due from Other Governments	-	-	208,980
Prepaid Items	-	-	2,786
Total Assets	$ 1,135	$ -	$ 3,116,516
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts Payable and Accrued Liabilities	$ 43	$ -	$ 121,094
Due to Other Funds	-	-	258,890
Due to Other Governments	-	-	390,835
Total Liabilities	43	-	770,819
Deferred Inflows of Resources:			
Unavailable Revenue - Intergovernmental	-	-	209,932
Fund Balances:			
Nonspendable	-	-	2,786
Restricted	1,092	-	1,920,267
Committed	-	-	132,561
Assigned	-	-	82,445
Unassigned (Deficit)	-	-	(2,294)
Total Fund Balances	1,092	-	2,135,765
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,135	$ -	$ 3,116,516

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds					
	Fines and Forfeitures	Law Enforcement Trust	Clerk's Fine and Forfeiture	E-911	Mining	Tourist Development
REVENUES						
Intergovernmental	$ -	$ -	$ 461,555	$ 286,440	$ -	$ -
Charges for Services	28,861	-	600,200	-	487,575	-
Fines and Forfeitures	214,932	-	-	-	-	-
Taxes	-	-	-	-	-	61,595
Interest	14,117	1,397	7,804	6,106	2,013	6,253
Miscellaneous	-	23,267	449	-	-	-
Total Revenues	257,910	24,664	1,070,008	292,546	489,588	67,848
EXPENDITURES						
Current:						
General Government	622,783	-	1,070,008	-	-	11,966
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	468,956	-
Capital Outlay	84,398	-	-	-	-	-
Debt Service:						
Principal Retirement	786	-	-	-	-	-
Interest	14	-	-	-	-	-
Total Expenditures	707,981	-	1,070,008	-	468,956	11,966
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(450,071)	24,664	-	292,546	20,632	55,882
OTHER FINANCING SOURCES AND (USES)						
Transfers In	573,454	-	-	221,985	-	-
Transfers Out	-	(25,000)	-	(445,587)	(48,000)	-
Total Other Financing Sources and (Uses)	573,454	(25,000)	-	(223,602)	(48,000)	-
NET CHANGE IN FUND BALANCES	123,383	(336)	-	68,944	(27,368)	55,882
Fund Balances - Beginning of Year	485,304	72,568	-	507,531	40,178	315,621
FUND BALANCES - END OF YEAR	$ 608,687	$ 72,232	$ -	$ 576,475	$ 12,810	$ 371,503

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds					
	Clerk's Public Records Modernization Trust	Clerk's Child Support IV-D	Sheriff's Commissary	Sheriff's Education	Sheriff's E-911	Sheriff's Youth
REVENUES						
Intergovernmental	$ -	$ 79,638	$ -	$ -	$ -	$ -
Charges for Services	37,240	-	-	-	-	-
Fines and Forfeitures	-	-	-	5,131	-	-
Taxes	-	-	-	-	-	-
Interest	27	1,384	-	-	-	-
Miscellaneous	-	1,340	31,465	-	-	6,801
Total Revenues	37,267	82,362	31,465	5,131	-	6,801
EXPENDITURES						
Current:						
General Government	33,616	81,548	-	-	-	-
Public Safety	-	-	9,446	9,790	223,602	6,366
Physical Environment	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	812	-	-	-
Interest	-	-	8	-	-	-
Total Expenditures	33,616	81,548	10,266	9,790	223,602	6,366
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,651	814	21,199	(4,659)	(223,602)	435
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	445,587	-
Transfers Out	-	-	-	-	(221,985)	-
Total Other Financing Sources (Uses)	-	-	-	-	223,602	-
NET CHANGE IN FUND BALANCES	3,651	814	21,199	(4,659)	-	435
Fund Balances - Beginning of Year	179,478	118,937	106,992	37,697	20,432	7,990
FUND BALANCES - END OF YEAR	$ 183,129	$ 119,751	$ 128,191	$ 33,038	$ 20,432	$ 8,425

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds		
	Sheriff's Flower	Sheriff's Drug Task Force	Total Other Nonmajor Governmental Funds
REVENUES			
Intergovernmental	$ -	$ -	$ 827,633
Charges for Services	-	-	1,153,876
Fines and Forfeitures	-	-	220,063
Taxes	-	-	61,595
Interest	-	-	39,101
Miscellaneous	1,828	-	65,150
Total Revenues	1,828	-	2,367,418
EXPENDITURES			
Current:			
General Government	-	-	1,819,921
Public Safety	2,406	522	252,132
Physical Environment	-	-	468,956
Capital Outlay	-	-	84,398
Debt Service:			
Principal Retirement	-	-	1,598
Interest	-	-	22
Total Expenditures	2,406	522	2,627,027
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(578)	(522)	(259,609)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	1,241,026
Transfers Out	-	-	(740,572)
Total Other Financing Sources (Uses)	-	-	500,454
NET CHANGE IN FUND BALANCES	(578)	(522)	240,845
Fund Balances - Beginning of Year	1,670	522	1,894,920
FUND BALANCES - END OF YEAR	$ 1,092	$ -	$ 2,135,765

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — FINES AND FORFEITURES FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for Services	$ 26,000	$ 26,000	$ 28,861	$ 2,861
Fines and Forfeitures	116,125	124,125	214,932	90,807
Interest	305	305	14,117	13,812
Total Revenues	142,430	150,430	257,910	107,480
EXPENDITURES				
Current:				
General Government	1,089,143	1,112,143	622,783	489,360
Public Safety	5,000	1,000	-	1,000
Capital Outlay	88,179	100,704	84,398	16,306
Debt Services:				
Principal Retirement	-	-	786	(786)
Interest and Fiscal Charges	-	-	14	(14)
Other Expense	52,235	28,710	-	28,710
Total Expenditures	1,234,557	1,242,557	707,981	534,576
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,092,127)	(1,092,127)	(450,071)	642,056
OTHER FINANCING SOURCES				
Transfers In	633,518	633,518	573,454	(60,064)
NET CHANGE IN FUND BALANCE	(458,609)	(458,609)	123,383	581,992
Fund Balance - Beginning of Year	458,609	458,609	485,304	26,695
FUND BALANCE - END OF YEAR	$ -	$ -	$ 608,687	$ 608,687

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — LAW ENFORCEMENT TRUST FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Interest	$ 100	$ 100	$ 1,397	$ 1,297
Miscellaneous	30,000	30,000	23,267	(6,733)
Total Revenues	30,100	30,100	24,664	(5,436)
EXPENDITURES				
Other Expense	193,780	168,780	-	168,780
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(163,680)	(138,680)	24,664	163,344
OTHER FINANCING USES				
Transfers Out	-	(25,000)	(25,000)	-
NET CHANGE IN FUND BALANCE	(163,680)	(163,680)	(336)	163,344
Fund Balance - Beginning of Year	163,680	163,680	72,568	(91,112)
FUND BALANCE - END OF YEAR	$ -	$ -	$ 72,232	$ 72,232

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — CLERK'S FINE AND FORFEITURE FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 442,378	$ 472,683	$ 461,555	$ (11,128)
Charges for Services	520,672	600,200	600,200	-
Interest Income	6,500	7,804	7,804	-
Miscellaneous	-	449	449	-
Total Revenues	969,550	1,081,136	1,070,008	(11,128)
EXPENDITURES				
Current:				
General Government:	969,550	1,081,136	1,070,008	11,128
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — E-911 FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 127,900	$ 127,900	$ 286,440	$ 158,540
Interest	100	100	6,106	6,006
Total Revenues	128,000	128,000	292,546	164,546
EXPENDITURES				
Current:				
Other Expense	105,746	105,746	-	105,746
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	22,254	22,254	292,546	270,292
OTHER FINANCING SOURCES AND (USES)				
Transfers In	-	-	221,985	221,985
Transfers Out	(445,587)	(445,587)	(445,587)	-
Total Other Financing Sources and (Uses)	(445,587)	(445,587)	(223,602)	221,985
NET CHANGE IN FUND BALANCE	(423,333)	(423,333)	68,944	492,277
Fund Balance - Beginning of Year	423,333	423,333	507,531	84,198
FUND BALANCE - END OF YEAR	$ -	$ -	$ 576,475	$ 576,475

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — MINING FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for Services	$ 445,668	$ 583,829	$ 487,575	$ (96,254)
Interest	150	150	2,013	1,863
Total Revenues	445,818	583,979	489,588	(94,391)
EXPENDITURES				
Current:				
Physical Environment	389,270	529,431	468,956	60,475
Other Expense	137,218	135,218	-	135,218
Total Expenditures	526,488	664,649	468,956	195,693
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(80,670)	(80,670)	20,632	101,302
OTHER FINANCING USES				
Transfers Out	(48,000)	(48,000)	(48,000)	-
NET CHANGE IN FUND BALANCE	(128,670)	(128,670)	(27,368)	101,302
Fund Balance - Beginning of Year	128,670	128,670	40,178	(88,492)
FUND BALANCE - END OF YEAR	$ -	$ -	$ 12,810	$ 12,810

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — TOURIST DEVELOPMENT FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 55,000	$ 55,000	$ 61,595	$ 6,595
Interest	220	220	6,253	6,033
Total Revenues	55,220	55,220	67,848	12,628
EXPENDITURES				
Current:				
General Government	-	71,242	11,966	59,276
Other Expense	362,676	291,434	-	291,434
Total Expenditures	362,676	362,676	11,966	350,710
NET CHANGE IN FUND BALANCE	(307,456)	(307,456)	55,882	363,338
Fund Balance - Beginning of Year	307,456	307,456	315,621	8,165
FUND BALANCE - END OF YEAR	$ -	$ -	$ 371,503	$ 371,503

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — CLERK'S PUBLIC RECORDS MODERNIZATION TRUST
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for Services	$ 40,641	$ 37,240	$ 37,240	$ -
Interest Income	65	27	27	-
Total Revenues	40,706	37,267	37,267	-
EXPENDITURES				
Current:				
General Government:	180,835	181,347	33,616	147,731
Capital Outlay	39,347	35,396	-	35,396
Total Expenditures	220,182	216,743	33,616	183,127
NET CHANGE IN FUND BALANCES	(179,476)	(179,476)	3,651	183,127
Fund Balances - Beginning of Year	179,476	179,476	179,478	2
FUND BALANCES - END OF YEAR	$ -	$ -	$ 183,129	$ 183,129

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — CLERK'S CHILD SUPPORT IV-D FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 84,000	$ 88,287	$ 79,638	$ (8,649)
Interest	135	1,384	1,384	-
Miscellaneous	-	1,340	1,340	-
Total Revenues	84,135	91,011	82,362	(8,649)
EXPENDITURES				
Current:				
General Government:	203,069	209,945	81,548	128,397
NET CHANGE IN FUND BALANCES	(118,934)	(118,934)	814	119,748
Fund Balances - Beginning of Year	118,934	118,934	118,937	3
FUND BALANCES - END OF YEAR	$ -	$ -	$ 119,751	$ 119,751

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION — FIDUCIARY FUNDS – CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Custodial Funds				
	Clerk's Special Trust	Clerk's Support	Clerk's Court Registry	Clerk's County Witness	Clerk's Cash Bond
ASSETS					
Cash	$ 377,158	$ 818	$ 38,601	$ 450	$ 45,686
LIABILITIES					
Due to Individuals	$ 23,870	$ -	$ -	$ 13	$ 3,675
Due to Other Governments	168,773	818	-	-	-
Deposit - Installment Taxes	-	-	-	-	-
Total Liabilities	192,643	818	-	13	3,675
NET POSITION					
Restricted for Individuals, Organizations, and Other Governments	184,515	-	38,601	437	42,011
Total Net Position	$ 184,515	$ -	$ 38,601	$ 437	$ 42,011

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION — FIDUCIARY FUNDS — CUSTODIAL FUNDS (CONTINUED)
SEPTEMBER 30, 2023

	Custodial Funds						
	Tax Collector Fund	Tax Collector Motor Vehicle Fund	Sheriff's Suspense Fund	Sheriff's Collections Fund	Sheriff's Evidence Fund	Sheriff's Inmate Fund	Total
ASSETS							
Cash	$ 493,800	$ 90,512	$ 7,425	$ 760	$ 31,911	$ 16,053	$ 1,103,174
LIABILITIES							
Due to Individuals	$ 66,843	$ -	$ 7,425	$ 760	$ -	$ -	$ 102,586
Due to Other Governments	113,882	90,512	-	-	-	-	373,985
Deposit - Installment Taxes	313,075	-	-	-	-	-	313,075
Total Liabilities	493,800	90,512	7,425	760	-	-	789,646
NET POSITION							
Restricted for Individuals, Organizations, and Other Governments	-	-	-	-	31,911	16,053	313,528
Total Net Position	$ -	$ -	$ -	$ -	$ 31,911	$ 16,053	$ 313,528

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION — FIDUCIARY FUNDS – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds				
	Clerk's Special Trust	Clerk's Support	Clerk's Court Registry	Clerk's County Witness	Clerk's Cash Bond
ADDITIONS					
Collections from Individuals	$ 160,414	$ -	$ -	$ -	$ -
Property Tax Collections for Other Governments	-	-	-	-	-
Evidence Collected	-	-	-	-	-
Collections for Court Related Activities	989,496	11,207	114,903	-	131,942
Licenses, Taxes, and Fees Collected for Other Governments	2,572,292	-	-	-	-
Total Additions	3,722,202	11,207	114,903	-	131,942
DEDUCTIONS					
Medical, Dental, and Life Insurance	-	-	-	-	-
Payments to Individuals	177,413	-	-	-	-
Payments of Court Related Funds	938,085	11,207	133,408	-	102,931
Payments to Other Entities	-	-	-	-	-
Payments to Other Governments	2,572,292	-	-	-	-
Total Deductions	3,687,790	11,207	133,408	-	102,931
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	34,412	-	(18,505)	-	29,011
Fiduciary Net Position - Beginning of Year	150,103	-	57,106	437	13,000
FIDUCIARY NET POSITION - END OF YEAR	$ 184,515	$ -	$ 38,601	$ 437	$ 42,011

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION — FIDUCIARY FUNDS – CUSTODIAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds						
	Tax Collector Fund	Tax Collector Motor Vehicle Fund	Sheriff's Suspense Fund	Sheriff's Collections Fund	Sheriff's Evidence Fund	Sheriff's Inmate Fund	Total
ADDITIONS							
Collections from Individuals	$ -	$ -	$ 36,763	$ -	$ -	$ 156,369	$ 353,546
Property Tax Collections for Other Governments	15,333,695	-	-	-	-	-	15,333,695
Evidence Collected	-	-	-	-	22,544	-	22,544
Collections for Court Related Activities	-	-	-	-	-	-	1,247,548
Licenses, Taxes, and Fees Collected for Other Governments	-	4,277,354	31,913	-	-	-	6,881,559
Total Additions	15,333,695	4,277,354	68,676	-	22,544	156,369	23,838,892
DEDUCTIONS							
Medical, Dental, and Life Insurance	-	-	36,763	-	-	-	36,763
Payments to Individuals	-	-	-	-	-	46,705	224,118
Payments of Court Related Funds	-	-	-	-	-	-	1,185,631
Payments to Other Entities	-	-	-	-	-	108,603	108,603
Payments to Other Governments	15,333,695	4,277,354	31,913	-	20,814	-	22,236,068
Total Deductions	15,333,695	4,277,354	68,676	-	20,814	155,308	23,791,183
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	-	-	1,730	1,061	47,709
Fiduciary Net Position - Beginning of Year	-	-	-	-	30,181	14,992	265,819
FIDUCIARY NET POSITION - END OF YEAR	$ -	$ -	$ -	$ -	$ 31,911	$ 16,053	$ 313,528

SUPPLEMENTAL INFORMATION

HARDEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2023

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal ALN Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS				
U.S. Department of Agriculture				
Direct Programs				
Rural Housing Preservation Grants	10.433		$ 29,516	$ -
U.S. Election Assistance Commission				
Pass-through Florida Department of State, Division of Elections				
HAVA Election Security Grants	90.404	2022-2023-001	40,600	-
U.S. Department of Homeland Security				
Pass-through from Florida Division of Emergency Management:				
Emergency Management Performance Grants	97.042	G0430	45,966	-
Disaster Grants -Public Assistance (Presidentially Declared Disasters)	97.036	Z3101	2,677,100	-
Total U.S. Department of Homeland Security			2,723,066	-
U.S. Department of Justice				
Direct Programs				
State Criminal Alien Assistance Program	16.606		20,568	-
State Criminal Alien Assistance Program	16.606		12,653	-
Total State Criminal Alien Assistance Program			33,221	-
Pass-through from Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	8C153	43,254	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	8C040	3,346	-
Total Edward Byrne Memorial Justice Assistance Grant Program			46,600	-
Total U.S. Department of Justice			79,821	-
U.S. Department of Health and Human Services				
Pass-through U.S. Agency for Children and Families and Office of Child Support Enforcement, Florida Department of Revenue				
Child Support Services	93.563	COC25	88,287	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 2,961,290	$ -

See accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

HARDEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023

State Grantor/Pass through Grantor/ Project Title	State CSFA Number	Grant Contract Number/ Pass-Through Entity Identifying Number	State Expenditures	Passed Through to Subrecipients
STATE FINANCIAL ASSISTANCE				
Florida Executive Office of the Governor				
Division of Emergency Management				
Emergency Management Programs	31.063	A0296	$ 71,410	$ -
Emergency Management Programs	31.063	A0356	54,185	-
Total Emergency Management Programs			125,595	-
Local Emergency Management and Mitigation Initiatives	31.064	F0024	82,371	-
Total Florida Executive Office of the Governor			207,966	-
Florida Department of Environmental Protection				
Small County Consolidated Grants	37.012	SC213	93,750	-
Cooperative Collection Center Grant	37.007	HW202	15,874	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0170	113,313	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0300	159,857	-
Total Emergency Management Programs			273,170	-
Total Florida Department of Environmental Protection			382,794	-
Florida Department of State and Secretary of State				
State Aid to Libraries Grant	45.030	23-ST-15	53,155	-
Florida Department of Agriculture and Consumer Services				
Agriculture Education and Promotional Facility	42.047	27938	184,085	
Mosquito Control	42.003	29491	38,892	-
Total Department of Agriculture and Consumer Services			222,977	-
Florida Housing Finance Corporation				
State Housing Initiative Partnership Program (SHIP) - HHRP	40.901	N/A	121,739	
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	305,948	-
Total Florida Housing Finance Corporation			427,687	-
Florida Department of Transportation				
Local Transportation Projects	55.039	G1601	27,898	-
Small County Road Assistance Program (SCRAP)	55.016	G1U86	3,084,762	-
Small County Road Assistance Program (SCRAP)	55.016	G2674	138,338	-
Total Small County Road Assistance Program			3,223,100	-
Total Florida Department of Transportation			3,250,998	-
Florida Department of Health				
County Grant Awards	64.005	C1125	7,191	-
Department of Management Services				
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	22-11-11	60,326	-
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	N/A	1,000	-
Total Wireless 911 Emergency Telephone System Rural County			61,326	
Total Florida Department of Management Services			61,326	-
Florida Department of Law Enforcement				
Criminal Justice Data Transparency	71.044	22-DTSFA-D2-018	217,500	-
Hardee County Sheriff's Office Administration Facility Expansion	71.062	7G004	155,251	
Law Enforcement Salary Assistance For Fiscally Constrained Counties	71.067	5V013	90,315	-
Law Enforcement Salary Assistance for Fiscally Constrained Counties	71.067	7G027	206,250	-
Total Law Enforcement Salary Assistance for Fiscally Constrained Counties			296,565	-
Total Florida Department of Law Enforcement			669,316	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			$ 5,283,410	$ -

See accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

HARDEE COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2023

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule) includes the federal award and state financial assistance activity of Hardee County, Florida (County) under programs of the federal government and projects of the state of Florida for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and Chapter 69I-5, Rules of the Florida Department of Financial Services. Because the Schedule presents only a selected portion of the operation of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for awards and financial assistance received in governmental funds and the accrual basis of accounting for financial assistance received in the proprietary funds, which are described in Note 1 to the County's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

Any negative amounts shown in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

The County had not elected to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance.

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

Honorable Board of County Commissioners
Hardee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hardee 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, and have issued our report thereon dated June 24, 2024. Our report includes a reference to other auditors who audited the financial statements of the Hardee County Industrial Development Authority as described in our report on County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

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We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, 2023-003, and 2023-004 that we consider to be material weaknesses.

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.*

Hardee County, Florida's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
June 24, 2024

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Honorable Board of County Commissioners
Hardee County, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Hardee County, Florida's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements identified as subject to audit in the Florida 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 auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative* Requirements*, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General for Local Governmental Entity Audits. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

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

Auditors' 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 GAAS, *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 County's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, 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.

Honorable Board of County Commissioners
Hardee County, Florida

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
June 24, 2024

HARDEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2023

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
   - Material weakness(es) identified? ___X___ yes _____ no
   - Significant deficiency(ies) identified? _____ yes ___X___ none reported
3. Noncompliance material to financial statements noted? _____ yes ___X___ no

Federal Awards

1. Internal control over major federal programs:
   - Material weakness(es) identified? _____ yes ___X___ no
   - Significant deficiency(ies) identified? _____ yes ___X___ none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required To be reported in accordance with 2 CFR 200.516(a) _____ yes ___X___ no

Identification of Major Federal Programs:

CFDA Number(s)	Name of Federal Program or Cluster
97.036	Disaster Grant-Public Assistance (Presidentially Declared Disasters)

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

Auditee qualified as low-risk auditee? _____ yes ___X___ no

Section I – Summary of Auditors' Results (Continued)

State Financial Assistance

4. Internal control over state projects:
   - Material weakness(es) identified? _____ yes __X__ no
   - Significant deficiency(ies) identified? _____ yes __X__ none reported
5. Type of auditors' report issued on compliance for major state projects: Unmodified
6. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557, Rules of the Auditor General? _____ yes __X__ no

Identification of Major State Projects:

CFSA Number(s)	Name of Federal Program or Cluster
55.016	Small County Road Assistance Program (SCRAP)

Dollar threshold used to distinguish between Type A and Type B state projects: $ 750,000

Section II – Financial Statement Findings

2023-001 – Financial Statement Adjustments

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: As part of the audit, we proposed adjustments to correct the following errors in the County's financial statements:

- Assets and revenues were understated for the General Fund, Transportation Trust Fund, Tourist Development Fund, and governmental activities related to various derived tax revenues that were not accrued as of fiscal year-end.
- Assets and deferred inflows of resources were understated for the General Fund related to future opioid settlement payments that were not recognized as of fiscal year-end In addition, assets and revenue were understated for governmental activities.
- Assets were overstated while revenues and expenditures were understated in the General Fund and governmental activities related to an error in recognizing a loss for theft of assets.

Criteria or specific requirement: The County's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with GAAP.

Context: The County's internal controls over financial reporting did not detect or prevent the errors.

Effect: Assets, deferred inflows, revenues, and expenditures were misstated.

Cause: Reconciliation and review processes did not detect errors in account balances.

Repeat Finding: 2022-001.

Recommendation: The County should update fiscal year-end and monthly closing checklists to ensure that the impacted accounts are reconciled and reviewed. And, all transactions should be separately prepared and reviewed using all relevant data in order to accurately and completely capture all financial statement transactions.

Views of responsible officials and planned corrective actions: We concur with the auditor's finding and will take action to strengthen procedures. Staff will implement a more in-depth review policy for all end of year audit adjustments, as well as additional review to reconcile the entries posted to the trial balance.

Section II – Financial Statement Findings (Continued)

2023-002 - Internal Controls over Vendor Change Management.

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: The County's internal controls over vendor change management were not adequately designed or effectively implemented to prevent fraudulent payments to external parties.

Criteria or specific requirement: The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Framework states that control activities are a component of internal control. Control activities are policies and procedures established to ensure that management directives are carried out, and consist of two elements, a policy that establishes what should be done and the procedure that implements the policy. COSO Framework states that control activities must be in place for there to be adequate internal control procedures over financial reporting. Internal control procedures affect the County's ability to ensure financial transactions are authorized and accurate. County management is responsible for establishing and maintaining internal controls for the proper recording of all the County's transactions in the financial statements.

Context: Discussion with County management and gaining and understanding of the internal controls over vendor change management identified the deficiency.

Effect: The county incurred a financial loss due to the deficiency in internal controls.

Cause: The absence of adequate internal controls for managing vendor changes resulted in a fraudulent payment being made to an external party.

Repeat Finding: No.

Recommendation: We recommend developing a written vendor change management process that ensures proper authorization and verification of all vendor changes. This process should include clear documentation of the identification of the need for a vendor change, request for the change, evaluation of the change request, approval of the change request, implementation of the change, and verification of the change. To ensure appropriate segregation of duties, those completing the tasks should be segregated between those requesting and approving.

Views of responsible officials and planned corrective actions: We concur with the auditor's finding and new procedures have been implemented to further verify any changes made to vendors.

Section II – Financial Statement Findings (Continued)

2023-003 - Schedule of Expenditures of Federal Awards and State Financial Assistance

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: Our audit procedures identified the following errors in the Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule):

- Expenditures for one state financial assistance grant was incorrectly reported resulting in a net understatement of total state financial assistance.
- Expenditures for four federal awards grants were incorrectly reported resulting in a net overstatement of total of federal awards.

Criteria or specific requirement: 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and Chapter 69I-5, Rules of the Florida Department of Financial Services, require auditees to prepare a Schedule. The County's management is responsible for establishing and maintaining internal controls to ensure that Schedule is properly reported.

Context: Testing of amounts reported in the Schedule identified the misstatements.

Effect: The Schedule is used by grantor agencies and auditors to monitor compliance with federal and state requirements. Errors in reporting expenditures on the Schedule may lead to improper testing and therefore, noncompliance with Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services.

Cause: The process for preparing the Schedule did not completely and accurately identify the expenditures of certain grants.

Repeat Finding: 2022-002.

Recommendation: We recommend developing additional preparation and review procedures related to grant reporting to ensure that federal program and state project expenditures are completely and accurately reported in accordance with Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services. The Schedule should include grant expenditures from all six offices that comprise the county-wide financial statements. And, the OMB compliance supplement should be consulted for guidance related to reporting requirements of the Schedule.

Views of responsible officials and planned corrective actions: We concur with the auditor's finding and new procedures will be implemented that create an additional level of review to ensure that federal and state expenditures are reported accurately.

Section II – Financial Statement Findings (Continued)

2023-004 – Prior Period Restatement – Revenue Recognition

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: During the audit, it was disclosed that the beginning fund balance of the Grants Fund and net position of the Governmental Activities needed to be restated due to revenue that should have been recognized in the previous fiscal year.

Criteria or specific requirement: The County's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with GAAP.

Context: Audit of the County's restated beginning balances identified the error.

Effect: Beginning equity and assets were understated.

Cause: In the previous year, internal controls did not detect that revenue which had met the criteria to be recognized as of September 30, 2022 had been recorded. There were also several related journal entries in the previous year that complicated the associated ending accounts receivable reconciliation.

Repeat Finding: No

Recommendation: The County should continue to reconcile all grant revenue and associated account balances so that future restatements will not occur.

Views of responsible officials and planned corrective actions: We concur with the auditor's finding and new procedures will be implemented that strengthen internal controls to ensure that all grant revenues are recorded properly.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Findings and Questioned Costs – Major State Projects

Our audit did not disclose any matters required to be reported in accordance with Chapter 10.550, Rules of the Auditor General.

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MANAGEMENT LETTER

Honorable Board of County Commissioners
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of Hardee County, Florida (County), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated June 24, 2024.

Auditors' 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 for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' 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 24, 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 annual financial audit report. See the accompanying schedule of findings and responses for the current status of prior year audit findings.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 to the financial statements.

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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 communicate the results of our determination as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for 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

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)(6), Rules of the Auditor General, the Hardee County Economic Development Authority and Hardee County Industrial Development Authority reported their required information in their respective audit reports.

Additional Matters

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

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
June 24, 2024

HARDEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30,2023

Prior Year

Prior Year Findings		Current Year Status			Current Year Finding #	2021-2022 Year Finding #	2020-2021 Year Finding #
		Cleared	Partially Cleared	Not Cleared			
2022-001 Financial Statement Adjustments	Significant Deficiency in Internal Control over Financial Reporting			X	2023-001	2022-001	N/A
2022-002 Schedule of Expenditures of Federal Awards and State Financial Assistance	Material Weakness in Internal Control over Financial Reporting			X	2023-003	2022-002	N/A

Victoria L. Rogers
Hardee County, Clerk of the Circuit Court and Comptroller

Wauchula, FL 33873
Phone : (863) 773-4174
Website : www.hardeeclerk.com

417 West Main Street, Room 214
Wauchula, FL
33873
Fax : (863) 773-4422

CORRECTIVE ACTION PLAN
YEAR ENDED SEPTEMBER 30, 2023

Hardee County respectfully submits the following corrective action plan for the year ended September 30, 2023.

Audit period: October 1, 2022 through September 30, 2023

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS

2023-001 Financial Statement Adjustments

Recommendation: The County should update fiscal year-end and monthly closing checklists to ensure that the impacted accounts are reconciled and reviewed. And, all transactions should be separately prepared and reviewed using all relevant data in order to accurately and completely capture all financial statement transactions.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: New levels of procedures will be implemented to ensure that all county accounts are properly reviewed to avoid any misstatements.

Name(s) of the contact person(s) responsible for corrective action: Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts

Planned completion date for corrective action plan: September 30, 2024

MATERIAL WEAKNESS

2023-002 Internal Controls over Vendor Change Management

Recommendation: We recommend developing a written vendor change management process that ensures proper authorization and verification of all vendor changes. This process should include clear documentation of the identification of the need for a vendor change, request for the change, evaluation of the change request, approval of the change request, implementation of the change, and verification of the change. To ensure appropriate segregation of duties, those completing the tasks should be segregated between those requesting and approving.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Additional procedures have been implemented that involve further verifying any requested changes to a vendor's information.

Name(s) of the contact person(s) responsible for corrective action: Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts & Lorie Ayers, General Services Director Hardee County Board of County Commissioners

Planned completion date for corrective action plan: September 30, 2024

MATERIAL WEAKNESS

2023-003 Schedule of Expenditures of Federal Awards and State Financial Assistance

Recommendation: We recommend developing additional preparation and review procedures related to grant reporting to ensure that federal program and state project expenditures are completely and accurately reported in accordance with Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services. The Schedule should include grant expenditures from all six offices that comprise the county-wide financial statements. And, the OMB compliance supplement should be consulted for guidance related to reporting requirements of the Schedule.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: new procedures will be implemented that create an additional level of review to ensure that federal and state expenditures are reported accurately.

Name(s) of the contact person(s) responsible for corrective action: Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts & Lorie Ayers, General Services Director Hardee County Board of County Commissioners

Planned completion date for corrective action plan: September 30, 2024

MATERIAL WEAKNESS

2023-004 Prior Period Restatement – Revenue Recognition

Recommendation: The County should continue to reconcile all grant revenue and associated account balances so that future restatements will not occur.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: New procedures will be implemented that strengthen internal controls to ensure that all grant revenues are recorded properly.

Name(s) of the contact person(s) responsible for corrective action: Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts

Planned completion date for corrective action plan: September 30, 2024

If there are any questions regarding this plan, please call:
Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts
(863)773-4174
Or
Doug Baber, Assistant County Manager Hardee County Board of County Commissioners
(863)773-9430
Or
Lorie Ayers, General Services Director Hardee County Board of County Commissioners
(863)773-3199

VICTORIA L. ROGERS
HARDEE COUNTY, CLERK OF THE CIRCUIT COURT AND COMPTROLLER

WAUCHULA, FL 33873
PHONE : (863) 773-4174
WEBSITE : WWW.HARDEECLERK.COM

417 WEST MAIN STREET, ROOM 214
WAUCHULA, FL
33873
FAX : (863) 773-4422

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2023

Hardee County respectfully submits the following summary schedule of prior audit findings for the year ended September 30, 2023.

Audit period: October 1, 2022 through September 30, 2023

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCY

2022-001 Financial Statement Adjustments
Condition: Not Cleared
Status: See current year finding 2023-001
Reason for finding's recurrence: Misstatements on the financials for the period ending September 30th, 2023. Action was taken by staff implementing a more in-depth review policy for all end of year audit adjustments, as well as additional review to reconcile the entries posted to the trial balance. Additional actions will be taken.
Corrective Action: New levels of procedures will be implemented to ensure that all county accounts are properly reviewed to avoid any misstatements.

MATERIAL WEAKNESS

2022-002 Schedule of Expenditures of Federal Awards and State Financial Assistance
Condition: Not Cleared
Status: See current year finding 2023-003
Reason for finding's recurrence: Expenditures for state and federal grant awards were misstated. Action was taken by implementing new procedures that create an additional level of review to ensure that federal and state expenditures are reported accurately. Additional action will be taken.
Corrective Action: New procedures will be implemented that create an additional level of review to ensure that federal and state expenditures are reported accurately.

If there are any questions regarding this plan, please call:
Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts
(863)773-4174
Or
Doug Baber, Assistant County Manager Hardee County Board of County Commissioners
(863)773-9430
Or
Lorie Ayers, General Services Director Hardee County Board of County Commissioners
(863)773-3199

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Board of County Commissioners and the Florida Auditor General
Hardee County, Florida

We have examined Hardee County, Florida's (County) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds; and Sections 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E-911 system fund, during the year ended September 30, 2023. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds, and Sections 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E-911 system fund, during the year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
June 24, 2024

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HARDEE COUNTY PROPERTY APPRAISER

FINANCIAL STATEMENTS AND SUPPLEMENTAL REPORTS

YEAR ENDED SEPTEMBER 30, 2023



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HARDEE COUNTY PROPERTY APPRAISER
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2023

INDEPENDENT AUDITORS' REPORT	**1**
FINANCIAL STATEMENTS	
BALANCE SHEET – GENERAL FUND	**4**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND	**5**
NOTES TO FINANCIAL STATEMENTS	**6**
SUPPLEMENTAL REPORTS	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	**17**
MANAGEMENT LETTER	**19**
INDEPENDENT ACCOUNTANTS' REPORT	**21**

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INDEPENDENT AUDITORS' REPORT

The Honorable Kathy Crawford
Hardee County Property Appraiser
Wauchula, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the General Fund of the Hardee County Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the General Fund of the Property Appraiser of Hardee County, as of September 30, 2023, and the changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Property Appraiser of Hardee 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 opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Property Appraiser of Hardee County referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the financial statements are intended to present the financial position and the changes in financial position of only that portion of the General Fund of Hardee County that is attributable to the transactions of the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Hardee County as of September 30, 2023, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' report that includes our opinion. 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 GAAS 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 GAAS and *Government Auditing Standards*, we:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, no such opinion is expressed.

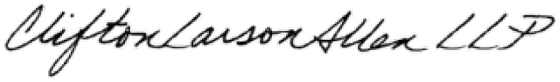
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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
Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2023, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
January 17, 2023

HARDEE COUNTY PROPERTY APPRAISER
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023

ASSETS		
Cash	$	64,656
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Due to Board of County Commissioners	$	63,098
Due to Other Governments		1,558
Total Liabilities		64,656
FUND BALANCE		-
Total Liabilities and Fund Balance	$	64,656

See accompanying Notes to Financial Statements.

HARDEE COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for Services:				
Board of County Commissioners	$ 915,586	$ 926,622	$ 926,622	$ -
Other Governments	22,610	22,883	22,883	-
Interest Income	-	-	41	41
Miscellaneous	-	-	2,185	2,185
Total Revenues	938,196	949,505	951,731	2,226
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	725,789	714,466	681,847	32,619
Operating Expenditures	212,407	232,639	202,828	29,811
Capital Outlay	-	2,400	2,400	-
Total Expenditures	938,196	949,505	887,075	62,430
EXCESS OF REVENUES OVER EXPENDITURES	-	-	64,656	64,656
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(63,098)	(63,098)
Other Governments	-	-	(1,558)	(1,558)
Total Other Financing Uses	-	-	(64,656)	(64,656)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Hardee County Property Appraiser (Property Appraiser) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

Hardee County, Florida (County) is a political subdivision of the state of Florida. It is governed by an elected Board of County Commissioners (Board) and an appointed County Administrator, as provided by Section 125.73 of the Florida Statutes. The County Administrator is responsible for the administration of all departments of which the Board has the authority to control pursuant to the general laws of Florida.

The Property Appraiser is an elected official of Hardee County, Florida pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Property Appraiser is part of the primary government of Hardee County, Florida. Although the Board and the Florida Department of Revenue approve the Property Appraiser's total operating budget, the Property Appraiser is responsible for the administration and the operation of the Property Appraiser's office. The Property Appraiser's financial statements include only the funds of the Property Appraiser's office. There are no separate legal entities (component units) for which the Property Appraiser is considered to be financially accountable.

Basis of Presentation, Basis of Accounting, and Measurement Focus

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Property Appraiser to only present fund financial statements. These financial statements present only the portion of the funds of Hardee County, Florida that are attributable to the Property Appraiser. They are not intended to present fairly the financial position and results of operations of Hardee County, Florida in conformity with GAAP.

The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Property Appraiser. It is presented as a major governmental fund, which uses the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when 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, expenditures related to accumulated compensated absences, and claims and judgments are recorded only when payments are due.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

Fees earned by the Property Appraiser (equal to the amount of the amended budget) are billed quarterly to the Board and other governmental agencies in proportion to prior year taxes levied. By statute, municipalities and school boards are exempt. These fees are recorded as charges for services revenue.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida statutes.

A budget is legally adopted for the General Fund and is on the modified accrual basis of accounting. Budgetary control is at the expenditure classification level (salaries and benefits, operating expenditures, capital outlay). Budgetary changes within expenditure classification are made at the discretion of the Property Appraiser. Amendments between expenditure classifications must be submitted to the State of Florida Department of Revenue for approval. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

Refund of "Excess Fees" – Florida Statutes provide that the excess of the Property Appraiser's fee revenue over expenditures is to be distributed to each governmental agency in the same proportion as the fees paid by the governmental agency bear to total fee income of the office. The amount of undistributed excess fees at the end of the fiscal year is reported as amounts due to the Board of County Commissioners and other special taxing districts.

Fund Accounting

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

The purpose of the Property Appraiser's fund is as follows:

Governmental Fund

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned. As of September 30, 2023, there was no fund balance in the General Fund and no classification for fund balance is necessary.

As the Property Appraiser is an elected official responsible for the activities of the Property Appraiser's office, the Appraiser is the highest level of decision-making authority and any official order from the Property Appraiser would be required to authorize commitment of fund balance.

The Property Appraiser has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states when an expenditure is incurred in which restricted, committed, assigned, or unassigned amounts are available to be used, the Property Appraiser will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

Capital Assets

Capital assets are recorded as expenditures in the governmental funds at the time an asset is acquired. Assets acquired by the Property Appraiser are capitalized at cost. Donated assets are recorded at acquisition value at the time received. All capital assets are reported in the government-wide financial statements of the County. The Property Appraiser maintains custodial responsibility for these capital assets.

Capital assets are defined by the Property Appraiser as assets with an initial, individual cost of $1,500 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accrued Compensated Absences

It is the Property Appraiser's policy to allow employees to accumulate vacation leave, sick leave, and compensatory time. After one year of service, employees are vested and shall be paid for accumulated and unused vacation leave up to a maximum of 160 hours. Employees who have been employed 20 years or more are eligible to be paid for accumulated sick leave at varying percentages, ranging from 25% to 50%, based on the number of years of employment. Compensatory time is eligible to be paid out at 100%.

The Property Appraiser's liability for compensated absences is reported as noncurrent liabilities in the records of Hardee County as a whole. Because of their spending measurement focus, expenditure recognition for governmental funds is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the fund financial statements is in conformity with GAAP, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Property Appraiser participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay a portion of the premium cost applicable to an active employee based on years of service and other factors. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions,* are reported in the financial statements of the County.

Adoption of New Accounting Standards:

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.* This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The Property Appraiser adopted the requirements of the guidance effective October 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption. Implementation of this standard did not have an impact on the Property Appraiser's financial statements.

NOTE 2 CASH

At September 30, 2023, the Property Appraiser's bank balance was $115,327 consisting entirely of demand deposits. Cash per the balance sheet consisted of $64,616 in demand deposits and $40 in petty cash. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

Custodial Credit Risk is the risk that in the event of a bank failure the government's deposits may not be returned to it. The Property Appraiser's monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the Property Appraiser's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, Florida Department of Financial Services. The law requires the Chief Financial Officer to ensure that funds are entirely collateralized throughout the fiscal year. Other than the preceding, the Property Appraiser has no policy on custodial credit risk.

Collateral is provided for demand deposits through the Florida Security for Public Deposits Act. This law establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under this law, the qualified public depository must pledge at least 25% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

Additional collateral, up to a maximum of 150%, may be required if deemed necessary under the conditions set forth in this law. Eligible collateral consists of obligations of the United States and its agencies and obligations of states and their local political subdivisions and unaffiliated corporations.

Obligations pledged to secure deposits must be delivered to the Department of Financial Services or, with the approval of the Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the Chief Financial Officer. On a monthly basis, the Chief Financial Officer determines that the collateral has a market value adequate to cover the deposits under the provisions of this law.

NOTE 3 CAPITAL ASSETS

Tangible personal property used in the Property Appraiser's operations is recorded as an expenditure in the General Fund of the Property Appraiser at the time of acquisition. Assets are capitalized at historical cost in the government-wide financial statements of the County. The Property Appraiser maintains custodial responsibility for these capital assets.

Capital asset activity for the fiscal year is as follows:

	Balance October 1, 2022	Additions	Disposals	Balance September 30, 2023
Machinery and Equipment	$ 375,982	$ 2,400	$ (24,547)	$ 353,835
Less: Accumulated Depreciation	(211,571)	(51,467)	24,547	(238,491)
Total Capital Assets, Net	$ 164,411	$ (49,067)	$ -	$ 115,344

NOTE 4 PENSION PLANS

Background

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

Essentially all regular employees of the Property Appraiser are eligible to enroll as members of the state-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 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.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

NOTE 4 PENSION PLANS (CONTINUED)

FRS Investment Plan

Plan Description

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Property Appraiser employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan.

Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

Benefits Provided

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Property Appraiser.

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

NOTE 4 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Property Appraiser's contributions made to the plans during the years ended September 30, 2023, 2022, and 2021 were $115,414, $90,012, and $85,577, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County-wide financial statements.

NOTE 5 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences for the year ended September 30, 2023:

	Balance October 1, 2022	Net Change	Balance September 30, 2023
Accrued Compensated Absences	$ 17,810	$ 10,426	$ 28,236

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Property Appraiser's compensated absences policy.

NOTE 6 RELATED PARTY TRANSACTIONS

Transactions with the Hardee County Board of County Commissioners for the year ended September 30, 2023 were as follows:

Budget Appropriation – The General Fund of the Property Appraiser received revenue from the Board of County Commissioners in the amount of $926,622 for the year ended September 30, 2023. At September 30, 2023, $63,098 was due to the Board of County Commissioners.

Various Services – The Board of County Commissioners provides various services to the Property Appraiser. The charges for these services for the fiscal year ended September 30, 2023 amounted to $110,876.

NOTE 7 RISK MANAGEMENT

The Property Appraiser is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Property Appraiser participates in the risk management program through the Hardee County Board of County Commissioners under a local government risk management pool. The following types of risk are provided for under the risk management pool:

- Property and General Liability
- Automobile Liability
- Public Officials' Liability
- Workers' Compensation

There have been no decreases in coverage nor have there been any settlements in excess of coverage in any of the three prior years.

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

The Honorable Kathy Crawford
Hardee County Property Appraiser
Wauchula, 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 General Fund of the Hardee County Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated January 17, 2023.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Property Appraiser's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance 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.*

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.

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Sebring, Florida
January 17, 2023

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MANAGEMENT LETTER

The Honorable Kathy Crawford
Hardee County Property Appraiser
Wauchula, Florida

Report on the Financial Statements

We have audited the financial statements of the Hardee County Property Appraiser (Property Appraiser), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated January 17, 2023.

Auditors' 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; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' 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, which are dated January 17, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

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Financial Management

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

Additional Matters

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

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 Property Appraiser and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 17, 2023

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INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Kathy Crawford
Hardee County Property Appraiser
and the Florida Auditor General
Wauchula, Florida

We have examined the Hardee County Property Appraiser's (Property Appraiser) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management of the Property Appraiser is responsible for the Property Appraiser's compliance with the specified requirements. Our responsibility is to express an opinion on the Property Appraiser'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 Property Appraiser complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Property Appraiser 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Property Appraiser's compliance with specified requirements.

In our opinion, the Property Appraiser complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 17, 2023

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HARDEE COUNTY TAX COLLECTOR

FINANCIAL STATEMENTS AND SUPPLEMENTAL REPORTS

YEAR ENDED SEPTEMBER 30, 2023



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HARDEE COUNTY TAX COLLECTOR
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 2023

INDEPENDENT AUDITORS' REPORT	**1**
FINANCIAL STATEMENTS	
BALANCE SHEET – GENERAL FUND	**4**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND	**5**
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS	**6**
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS	**7**
NOTES TO FINANCIAL STATEMENTS	**8**
SUPPLEMENTARY INFORMATION	
COMBINING STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS	**20**
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS	**21**
SUPPLEMENTAL REPORTS	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	**22**
MANAGEMENT LETTER	**24**
INDEPENDENT ACCOUNTANTS' REPORT	**26**

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INDEPENDENT AUDITORS' REPORT

The Honorable April Lambert
Hardee County Tax Collector
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the General Fund and the aggregate remaining fund information of the Hardee County Tax Collector (Tax Collector), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the General Fund and the aggregate remaining fund information of the Tax Collector of Hardee County as of September 30, 2023, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Tax Collector of Hardee 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.

Emphasis of Matters

As discussed in Note 1, the financial statements of the Tax Collector of Hardee County referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the state of Florida. In conformity with the Rules, the financial statements are intended to present the financial position and the changes in financial position of only that portion of the General Fund and the aggregate remaining fund information of Hardee County that is attributable to the transactions of the Tax Collector. They do not purport to, and do not, present fairly the financial position of Hardee County, as of September 30, 2023, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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As discussed in Note 1 to the financial statements, effective October 1, 2022, the Tax Collector adopted new accounting guidance for subscription-based information technology arrangements. The guidance requires governments to recognize a right-to-use subscription-based information technology arrangement asset and corresponding liability for all arrangements greater than twelve months. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' 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 GAAS 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 GAAS 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 Tax Collector's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statement is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tax Collector's basic financial statements. The combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2024, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 16, 2024

HARDEE COUNTY TAX COLLECTOR
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023

ASSETS		
Cash	$	174,076
Accounts Receivable		18,195
Total Assets	$	192,271
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	$	1,607
Due to the Board of County Commissioners		186,850
Due to Other Governments		3,814
Total Liabilities		192,271
FUND BALANCE		-
Total Liabilities and Fund Balance	$	192,271

See accompanying Notes to Financial Statements.

HARDEE COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for Services	$ 982,050	$ 982,050	$ 1,016,474	$ 34,424
Interest	100	100	1,686	1,586
Miscellaneous	800	800	-	(800)
Total Revenues	982,950	982,950	1,018,160	35,210
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	866,411	866,411	717,174	149,237
Operating Expenditures	123,594	126,594	75,699	50,895
Capital Outlay	3,500	500	13,776	(13,276)
Debt Service:				
Principal Retirement	-	-	30,913	(30,913)
Interest and Fiscal Charges	-	-	1,461	(1,461)
Total Expenditures	993,505	993,505	839,023	154,482
EXCESS OF REVENUES OVER EXPENDITURES	(10,555)	(10,555)	179,137	189,692
OTHER FINANCING SOURCES (USES)				
Subscription-Based Information Technology Arrangement	-	-	11,526	11,526
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(186,850)	(186,850)
Other Governments	-	-	(3,813)	(3,813)
Total Other Financing Sources (Uses)	-	-	(179,137)	(179,137)
NET CHANGE IN FUND BALANCE	(10,555)	(10,555)	-	10,555
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ (10,555)	$ (10,555)	$ -	$ 10,555

See accompanying Notes to Financial Statements.

HARDEE COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
ASSETS	
Cash	$ 584,312
LIABILITIES	
Due to Individuals	66,843
Due to Board of County Commissioners	113,464
Due to Other Governments	90,930
Deposit - Installment Taxes	313,075
Total Liabilities	584,312
NET POSITION	$ -

See accompanying Notes to Financial Statements.

HARDEE COUNTY TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds
ADDITIONS	
Property Tax Collections for Other Governments	$ 15,333,695
License and Fees Collected for State Agencies	4,277,354
Total Additions	19,611,049
DEDUCTIONS	
Payments of Property Tax to Other Governments	15,325,112
Payments to State Agencies	4,285,937
Total Deductions	19,611,049
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-
Fiduciary Net Position - Beginning of Year	-
FIDUCIARY NET POSITION - END OF YEAR	$ -

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Hardee County Tax Collector (Tax Collector) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

Hardee County, Florida, is a political subdivision of the state of Florida. It is governed by an elected Board of County Commissioners (Board) and an appointed County Administrator, as provided by Section 125.73 of the Florida Statutes. The County Administrator is responsible for the administration of all departments of which the Board has the authority to control pursuant to the general laws of Florida.

The Tax Collector is an elected official of Hardee County, Florida pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Tax Collector is part of the primary government of Hardee County, Florida. Although the Board and the Florida Department of Revenue approve the Tax Collector's operating budget, the Tax Collector is responsible for the administration and the operation of the Tax Collector's office. The Tax Collector's financial statements include only the funds of the Tax Collector's office. There are no separate legal entities (component units) for which the Tax Collector is considered to be financially accountable.

Basis of Presentation, Basis of Accounting, and Measurement Focus

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Tax Collector to only present fund financial statements. These financial statements present only the portion of the funds of Hardee County, Florida that are attributable to the Tax Collector. They are not intended to present fairly the financial position and results of operations of Hardee County, Florida, in conformity with GAAP.

The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Tax Collector. It is presented as a major governmental fund, which uses the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when 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, expenditures related to accumulated compensated absences, and claims and judgments are recorded only when payments are due.

The custodial funds use the economic resources measurement focus and the accrual basis of accounting.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

Charges for services on the collection of property taxes are recognized as revenue in the fiscal year for which taxes are levied, provided they are collected within 60 days after the end of the fiscal year. Those fees are earned pursuant to Florida Statute Chapter 192.091(2) as a Fee Officer. Certain other miscellaneous revenues are recorded as revenues when received because they are generally not measurable until actually received. Investment revenues are recorded as earned.

Any excess revenues received over expenditures made are remitted to the Board and the other taxing districts and recorded as other financing uses.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes.

A budget is legally adopted for the General Fund and is on a basis consistent with GAAP. Budgetary control is at the expenditure classification level (personal services, operating expenditures, capital outlay). Budgetary changes within expenditure classification are made at the discretion of the Tax Collector. Amendments between expenditure classifications must be submitted to the State of Florida Department of Revenue for approval. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

Property Tax Collection – Chapter 197, Florida Statutes, governs property tax collection.

Current Taxes – All property taxes become due and payable on November 1 and are delinquent on April 1 of the following year. Discounts of 4%, 3%, 2%, and 1% are allowed for early payment in November through February, respectively.

Unpaid Taxes – Sale of Tax Certificates – The Tax Collector advertises, as required by Florida Statutes, and then sells tax certificates on all real property for unpaid taxes. Certificates not purchased are issued to the County. Any person owning real property upon which a tax certificate has been sold may reacquire the real property by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.

Tax Deeds – The owner of a tax certificate may file an application for tax deed sale two years after the taxes have been delinquent (after April 1). The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent (after April 1). Tax deeds are issued to the highest bidder of the property, which is sold at public auction. The Clerk of the Circuit Court administers these sales.

Refund of "Excess Fees" – Florida Statutes provide that the excess of the Tax Collector's fee revenue over expenditures is to be distributed to each governmental agency in the same proportion as the fees paid by the governmental agency bear to total fee income of the office. The amount of the undistributed excess fees at the end of the fiscal year is reported as amounts due to the Board of County Commissioners and other taxing districts.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

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

Governmental Fund

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

Fiduciary Funds

Custodial Funds – Custodial funds are fiduciary in nature and used to account for assets associated with property tax and motor vehicle activities, which benefit other governments.

Fund Balance and Spending Policies

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned. As of September 30, 2023, there was no fund balance in the General Fund and no classification for fund balance is necessary.

As the Tax Collector is an elected official responsible for the activities of the Tax Collector's office, the Tax Collector is the highest level of decision-making authority and any official order from the Tax Collector would be required to authorize commitment of fund balance.

The Tax Collector has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states when an expenditure is incurred in which restricted, committed, assigned, or unassigned amounts are available to be used, the Tax Collector will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

Net Position

As of September 30, 2023, there was no net position in the Fiduciary Funds and no classification for net position is necessary.

Capital Assets

Capital assets are recorded as expenditures in the governmental funds at the time an asset is acquired. Assets acquired by the Tax Collector are capitalized at cost. Donated assets are recorded at acquisition value at the time received. All capital assets are reported in the government-wide financial statements of the County. The Tax Collector maintains custodial responsibility for these capital assets.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Capital assets are defined by the Tax Collector as assets with an initial, individual cost of $1,500 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accumulated Unpaid Vacation and Sick Pay

It is the Tax Collector's policy to allow employees to accumulate vacation and sick leave. After one year of service, employees are vested and shall be paid for accumulated and unused vacation leave up to a maximum of 120 hours. As an additional incentive, all employees who have been employed 20 years or more are eligible to be paid for accumulated sick leave at varying percentages based on the number of years of employment ranging from 25% to 50% of their accumulated leave.

The Tax Collector's liability for compensated absences is reported as noncurrent liabilities in the records of Hardee County as a whole. Because of their spending measurement focus, expenditure recognition for governmental funds is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

Use of Estimates

The preparation of the fund financial statements is in conformity with GAAP, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Tax Collector participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay a certain portion of the premium cost applicable to an active employee based on years of service and other factors. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension*, are reported in the financial statements of the County.

Adoption of New Accounting Standards:

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.* This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The Tax Collector adopted the requirements of the guidance effective October 1, 2022, and has applied the provisions of this standard to the beginning of the period of adoption.

NOTE 2 CUSTODIAL CREDIT RISK

At September 30, 2023, the Tax Collector's bank balance was $746,938, consisting entirely of demand deposits. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

Custodial Credit Risk is the risk that in the event of a bank failure the government's deposits may not be returned to it. The Tax Collector's monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the Tax Collector's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, and Florida Department of Financial Services. The law requires the Chief Financial Officer to ensure that funds are entirely collateralized throughout the fiscal year. Other than the preceding, the Tax Collector has no policy on custodial credit risk.

Collateral is provided for demand deposits through the Florida Security for Public Deposits Act. This law establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under this law, the qualified public depository must pledge at least 25% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

Additional collateral, up to a maximum of 150%, may be required if deemed necessary under the conditions set forth in this law. Eligible collateral consists of obligations of the United States and its agencies and obligations of states and their local political subdivisions and unaffiliated corporations.

Obligations pledged to secure deposits must be delivered to the Department of Financial Services or, with the approval of the Chief Financial Officer, to a bank, savings association, or trust company provided a power of attorney is delivered to the Chief Financial Officer. On a monthly basis, the Chief Financial Officer determines that the collateral has a market value adequate to cover the deposits under the provisions of this law.

A reconciliation to amount shown on the balance sheet and statement of fiduciary net position is as follows:

Demand Deposits	$	756,938
Petty Cash and Change Funds		1,450
Total	$	758,388
Balance Sheet:		
Cash	$	174,076
Statement of Fiduciary Net Position - Fiduciary Funds:		
Cash		584,312
Total Cash	$	758,388

NOTE 3 CAPITAL ASSETS

Capital asset activity for the fiscal year is as follows:

	Balance October 1, 2022	Additions	Disposals	Balance September 30, 2023
Capital Assets, Being Depreciated and Amortized:				
Machinery and Equipment	$ 131,801	$ 2,250	$ (7,033)	$ 127,018
Right-to-Use Leased Assets	6,002	-	(6,002)	-
Right-to-Use Subscription Assets*	51,489	11,526	-	63,015
Less: Accumulated Depreciation				
Machinery and Equipment	(115,119)	(10,070)	7,033	(118,156)
Right-to-Use Leased Assets	(3,617)	(2,385)	6,002	-
Right-to-Use Subscription Assets	-	(27,789)	-	(27,789)
Total Capital Assets, Net	$ 70,556	$ (26,468)	$ -	$ 44,088

* Restatement of capital assets as of October 1, 2022, is a result of implementing GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs) during the 2022 fiscal year.

NOTE 4 DEFINED BENEFIT PENSION PLANS

Background

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

Essentially all regular employees of the Tax Collector are eligible to enroll as members of the state-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

NOTE 4 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 if vested, or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

NOTE 4 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 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.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

NOTE 4 DEFINED BENEFIT PENSION PLANS (CONTINUED)

FRS Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Tax Collector employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

Benefits Provided

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Tax Collector.

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

NOTE 4 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The County's contributions made to the plans during the years ended September 30, 2023, 2022, and 2021 were $122,288, $108,524, and $98,827, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the Hardee County's comprehensive annual financial report.

NOTE 5 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences for the year ended September 30, 2023:

	Balance October 1, 2022	Net Change	Balance September 30, 2023
Accrued Compensated Absences	$ 21,912	$ 717	$ 22,629

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Tax Collector's compensated absences policy. The long-term liabilities are not reported in the financial statements of the Tax Collector since they are not payable from spendable resources. They are reported in the financial statements of Hardee County.

NOTE 6 LEASES

The Tax Collector leases assets for various terms under certain agreements that meet the definition of a lease under GASB Statement No. 87, *Leases*. Detailed information about the Tax Collector's leases can be found in the Hardee County county-wide financial statements.

Leases entered into by the Tax Collector are included as other financing sources and capital outlay expenditures in the statement of revenues, expenditures, and changes in fund balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the statement of revenues, expenditures, and changes in fund balance as they are incurred.

During the year ended September 30, 2023, the Tax Collector's payments of principal and interest on leases totaled $2,450.

NOTE 7 SUBSCRIPTION-BASED INFOMRATION TECHNOLOGY AGREEMENTS

The Tax Collector has entered into subscription based-information technology arrangements (SBITAs) for various terms under certain agreements that meet the definition under GASB Statement No. 96, *Subscription-Based Information Technology Agreements*. Detailed information about the Tax Collector's SBITAs can be found in the Hardee County county-wide financial statements.

SBITAs entered into by the Tax Collector are included as other financing sources and capital outlay expenditures in the statement of revenues, expenditures, and changes in fund balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the statement of revenues, expenditures, and changes in fund balance as they are incurred.

During the year ended September 30, 2023, the Tax Collector's payments of principal and interest on leases totaled $ 29,924.

NOTE 8 RELATED PARTY TRANSACTIONS

Transactions with the Hardee County Board of County Commissioners for the year ended September 30, 2023 were as follows:

Budget Appropriation – The General Fund of the Tax Collector received revenue from the Board of County Commissioners in the amount of $660,805 for the year ended September 30, 2023. The General Fund of the Tax Collector paid $108,412 to the Board of County Commissioners for Health Insurance. In addition, $186,850 and $113,464 was due to the Board of County Commissioners at September 30, 2023 from the General Fund and Agency Funds, respectively.

NOTE 9 RISK MANAGEMENT

The Tax Collector participates in the risk management program through the Hardee County Board of County Commissioners under a local government risk pool. The following types of risk are provided for under the risk management pool:

- Professional Liability
- Automobile Liability
- Public Officials' Liability
- Workers' Compensation

The risk pool assesses each member its pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments (premiums) do not produce sufficient funds to meet its obligations, the pool can make additional limited assessments. Losses, if any, in excess of the pool's ability to assess its members would revert back to the member that incurred the loss.

NOTE 10 CONTINGENCIES

The Tax Collector is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of management, the ultimate disposition of these lawsuits and claims should not have a material adverse effect on the financial position of the Tax Collector.

HARDEE COUNTY TAX COLLECTOR
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS – CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Custodial Funds		Total Custodial Funds
	Tax Collector	Motor Vehicle	
ASSETS			
Cash	$ 493,800	$ 90,512	$ 584,312
LIABILITIES			
Due to Individuals	66,843	-	66,843
Due to Board of County Commissioners	111,771	1,693	113,464
Due to Other Governments	2,111	88,819	90,930
Deposit - Installment Taxes	313,075	-	313,075
Total Liabilities	493,800	90,512	584,312
NET POSITION	$ -	$ -	$ -

HARDEE COUNTY TAX COLLECTOR
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds		Total
	Tax Collector	Motor Vehicle	Custodial Funds
ADDITIONS			
Property Tax Collections for Other Governments	$ 15,333,695	$ -	$ 15,333,695
License and Fees Collected for State Agencies	-	4,277,354	4,277,354
Total Additions	15,333,695	4,277,354	19,611,049
DEDUCTIONS			
Payments of Property Tax to Other Governments	15,325,112	-	15,325,112
Payments to State Agencies	8,583	4,277,354	4,285,937
Total Deductions	15,333,695	4,277,354	19,611,049
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-
FIDUCIARY NET POSITION - END OF YEAR	$ -	$ -	$ -

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

The Honorable April Lambert
Hardee County Tax Collector
Hardee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the General Fund and the aggregate remaining fund information of the Hardee County Tax Collector (Tax Collector), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements, and have issued our report thereon dated January 16, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

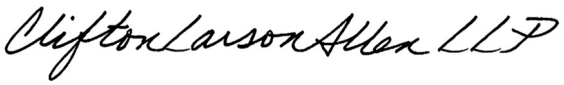
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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tax Collector's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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.



CliftonLarsonAllen LLP

Sebring, Florida
January 16, 2024

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MANAGEMENT LETTER

The Honorable April Lambert
Hardee County Tax Collector
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hardee County Tax Collector**,** Florida, (Tax Collector) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated January 16, 2024.

Auditors' 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; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' 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, which are dated January 16, 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 annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

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Financial Management

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

Additional Matters

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

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 Tax Collector, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 16, 2024

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INDEPENDENT ACCOUNTANTS' REPORT

The Honorable April Lambert, Hardee County Tax Collector
and the Florida Auditor General
Hardee County Tax Collector
Hardee County, Florida

We have examined the Hardee County Tax Collector's (Tax Collector) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management of the Tax Collector is responsible for the Tax Collector's compliance with the specified requirements. Our responsibility is to express an opinion on the Tax Collector'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 Tax Collector complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Tax Collector 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 16, 2024

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HARDEE COUNTY SUPERVISOR OF ELECTIONS

FINANCIAL STATEMENTS AND SUPPLEMENTAL REPORTS

YEAR ENDED SEPTEMBER 30, 2023



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HARDEE COUNTY SUPERVISOR OF ELECTIONS
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2023

INDEPENDENT AUDITORS' REPORT	**1**
FINANCIAL STATEMENTS	
BALANCE SHEET – GENERAL FUND	**4**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	**5**
NOTES TO FINANCIAL STATEMENTS	**6**
SUPPLEMENTAL REPORTS	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	**17**
MANAGEMENT LETTER	**19**
SCHEDULE OF FINDINGS AND RESPONSES	**21**
INDEPENDENT ACCOUNTANTS' REPORT	**22**

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INDEPENDENT AUDITORS' REPORT

The Honorable Diane Smith
Hardee County Supervisor of Elections
Hardee County, Florida

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the General Fund of the Hardee County Supervisor of Elections (Supervisor of Elections), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the General Fund of the Supervisor of Elections of Hardee County, as of September 30, 2023, and the changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Supervisor of Elections of Hardee 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 opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Supervisor of Elections of Hardee County referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the financial statements are intended to present the financial position and the changes in financial position of only that portion the General Fund of Hardee County that is attributable to the transactions of the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Hardee County as of September 30, 2023, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' report that includes our opinion. 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 GAAS 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 GAAS and *Government Auditing Standards*, we:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' 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.

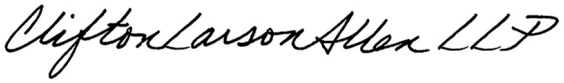
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statement is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2024, on our consideration of the Supervisor of Elections' 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 Supervisor of Elections' 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 Supervisor of Elections' internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
February 12, 2024

HARDEE COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023

ASSETS		
Cash	$	26,985
Prepaid Items		11,973
Total Assets	$	38,958
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	$	235
Accrued Liabilities		50
Due to Board of County Commissioners		38,673
Total Liabilities		38,958
FUND BALANCE		
Nonspendable		11,973
Unassigned		(11,973)
Total Fund Balance		-
Total Liabilities and Fund Balance	$	38,958

See accompanying Notes to Financial Statements.

HARDEE COUNTY SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Appropriation from Board of County Commissioners	$ 591,418	$ 591,418	$ 591,418	$ -
Intergovernmental	-	-	40,600	40,600
Interest Income	-	-	83	83
Miscellaneous	-	-	2,674	2,674
Total Revenues	591,418	591,418	634,775	43,357
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	336,018	336,018	310,146	25,872
Operating Expenditures	197,900	197,900	200,480	(2,580)
Capital Outlay	57,500	57,500	84,720	(27,220)
Debt Service:				
Principal Retirement	-	-	1,948	(1,948)
Interest and Fiscal Charges	-	-	241	(241)
Total Expenditures	591,418	591,418	597,535	(6,117)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	37,240	37,240
OTHER FINANCING USES				
Transfer to the Board of County Commissioners	-	-	(37,240)	(37,240)
Total Other Financing Uses	-	-	(37,240)	(37,240)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Hardee County Supervisor of Elections (Supervisor of Elections) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

Hardee County, Florida (County) is a political subdivision of the state of Florida. It is governed by an elected Board of County Commissioners (Board) and an appointed County Administrator, as provided by Section 125.73 of the Florida Statutes. The County Administrator is responsible for the administration of all departments of which the Board has the authority to control pursuant to the general laws of Florida.

The Supervisor of Elections is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Supervisor of Elections is part of the primary government of the County. The Board approves the Supervisor of Elections' total operating budget. The Supervisor of Elections is responsible for the administration and the operation of the Supervisor of Elections' office and the financial statements include only the funds of the Supervisor of Elections' office. There are no separate legal entities (component units) for which the Supervisor of Elections is considered to be financially accountable.

Basis of Presentation, Basis of Accounting, and Measurement Focus

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Supervisor of Elections to only present fund financial statements. These financial statements present only the portion of the funds of Hardee County, Florida that are attributable to the Supervisor of Elections. They are not intended to present fairly the financial position and results of operations of Hardee County, Florida in conformity with GAAP.

The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Supervisor of Elections. It is presented as a major governmental fund, which uses the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when 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, expenditures related to accumulated compensated absences, and claims and judgments are recorded only when payments are due.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

The County funds the majority of the operating budget of the Supervisor of Elections. The payments by the County to fund the operations of the Supervisor of Elections are recorded as expenditures for salaries and benefits, operating expenditures, and capital outlay in governmental fund types in the financial statements of the County, and as appropriations revenues on the basic financial statements of the Supervisor of Elections. Any excess of revenues over expenditures are remitted to the Board and recorded as other financing uses.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes.

A budget is legally adopted for the General Fund and is on a basis consistent with GAAP. Budgetary control is at the expenditure classification level (salaries and benefits, operating expenditures, capital outlay). Budgetary changes within expenditure classification are made at the discretion of the Supervisor of Elections. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

The Supervisor of Elections' annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level.

Refund of "Excess Fees" – Florida Statutes provide that the excess of the Supervisor of Elections' fee revenue over expenditures is to be distributed to each governmental agency in the same proportion as the fees paid by the governmental agency bear to total fee income of the office. The amount of undistributed excess fees at the end of the fiscal year is reported as amounts due to the Board.

Fund Accounting

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

The purpose of the Supervisor of Elections' fund is as follows:

Governmental Fund

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned. As of September 30, 2023, there was no fund balance in the General Fund and no classification for fund balance is necessary.

As the Supervisor of Elections is an elected official responsible for the activities of the Supervisor of Elections' office, the Supervisor of Elections is the highest level of decision-making authority and any official order from the Supervisor of Elections would be required to authorize commitment of fund balance.

The Supervisor of Elections has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states when an expenditure is incurred in which restricted, committed, assigned, or unassigned amounts are available to be used, the Supervisor of Elections will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

Capital Assets

Capital assets are recorded as expenditures in the governmental funds at the time an asset is acquired. Assets acquired by the Supervisor of Elections are capitalized at cost. Donated assets are recorded at acquisition value at the time received. All capital assets are reported in the government-wide financial statements of the County. The Supervisor of Elections maintains custodial responsibility for these capital assets.

Capital assets are defined by the Supervisor of Elections as assets with an initial, individual cost of $1,500 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accumulated Annual Leave

It is the Supervisor of Elections' policy to allow employees to accumulate vacation leave. At one year of service, employees are vested and shall be paid for accumulated an unused vacation leave up to a maximum of 200 hours.

The Supervisor of Elections' liability for compensated absences is reported as noncurrent liabilities in the records of Hardee County as a whole. Because of their spending measurement focus, expenditure recognition for governmental funds is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the fund financial statements is in conformity with U.S. GAAP, as applicable to government entities requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Supervisor of Elections participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay a certain portion of the premium cost applicable to an active employee based on years of service and other factors. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension*, are reported in the financial statements of the County.

Adoption of New Accounting Standards

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.* This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The Supervisor of Elections adopted the requirements of the guidance effective October 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption. Implementation of this standard did not have an impact on the Supervisor of Elections financial statements.

NOTE 2 CASH

At September 30, 2023, the Supervisor of Elections' deposits were $59,140 and the Supervisor of Elections' book balance was $26,985, consisting entirely of demand deposits. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

Custodial Credit Risk is the risk that in the event of a bank failure the government's deposits may not be returned to it. The Supervisor of Elections' monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the Supervisor of Elections' total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, and Florida Department of Financial Services. The law requires the Chief Financial Officer to ensure that funds are entirely collateralized throughout the fiscal year. Other than the preceding, the Supervisor of Elections has no policy on custodial credit risk.

NOTE 2 CASH (CONTINUED)

Collateral is provided for demand deposits through the Florida Security for Public Deposits Act. This law establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under this law, the qualified public depository must pledge at least 25% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

Additional collateral, up to a maximum of 150%, may be required if deemed necessary under the conditions set forth in this law. Eligible collateral consists of obligations of the United States and its agencies and obligations of states and their local political subdivisions and unaffiliated corporations.

Obligations pledged to secure deposits must be delivered to the Department of Financial Services or, with the approval of the Chief Financial Officer, to a bank, savings association, or trust company provided a power of attorney is delivered to the Chief Financial Officer. On a monthly basis, the Chief Financial Officer determines that the collateral has a market value adequate to cover the deposits under the provisions of this law.

NOTE 3 CAPITAL ASSETS

Capital asset activity for the fiscal year is as follows:

	Balance October 1, 2022	Additions	Disposals	Balance September 30, 2023
Capital Assets, Being Depreciated and Amortized:				
Machinery and Equipment	$ 248,717	$ 75,136	$ (7,448)	$ 316,405
Right-to-Use Lease Assets	10,028	-	-	10,028
Less: Accumulated Depreciation and Amortization:				
Machinery and Equipment	(207,721)	(10,563)	7,448	(210,836)
Right-to-Use Lease Assets	(2,017)	(2,017)	-	(4,034)
Total Capital Assets, Net	$ 49,007	$ 62,556	$ (7,448)	$ 111,563

NOTE 4 PENSION PLANS

Background

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

Essentially all regular employees of the Supervisor of Elections are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiemployer, defined benefit plans, and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (the FRS Plan) is a cost-sharing, multiple-employer, defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

NOTE 4 PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011 vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011 vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

NOTE 4 PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

Eligible retirees and beneficiaries receive a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 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.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

Plan Description

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

NOTE 4 PENSION PLAN (CONTINUED)

FRS Investment Plan (Continued)

Plan Description (Continued)

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Supervisor of Elections employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

Benefits Provided

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Supervisor of Elections.

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

NOTE 4 PENSION PLAN (CONTINUED)

FRS Investment Plan (Continued)

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Supervisor of Elections' contributions made during the years ended September 30, 2023, 2022, and 2021 were $71,499, $65,000, and $60,531, respectively, equal to the actuarially determined required contribution requirements for each year.

Additional information about pension plans can be found in the County-wide financial statements.

NOTE 5 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences obligations for the year ended September 30, 2023:

	Balance October 1, 2022	Net Change	Balance September 30, 2023
Accrued Compensated Absences	$ -	$ 906	$ 906

Accrued compensated absences represent the vested portion of accrued annual leave. See Note 1 for a summary of the Supervisor of Elections' compensated absences policy.

NOTE 6 LEASES

The Supervisor of Elections leases assets for various terms under certain agreements that meet the definition of a lease under GASB Statement No. 87 – *Leases*. Detailed information about the Supervisor of Elections' leases can be found in the Hardee County county-wide financial statements.

Leases entered into by the Supervisor of Elections are included as other financing sources and capital outlay expenditures in the statement of revenues, expenditures, and changes in fund balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the statement of revenues, expenditures, and changes in fund balance as they are incurred.

During the year ended September 30, 2023, the Supervisor of Elections payments of principal and interest on leases totaled $2,189.

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Board for the year ended September 30, 2023 were as follows:

Budget Appropriation – The General Fund of the Supervisor of Elections received revenue from the Board in the amount of $591,418 for the fiscal year ended September 30, 2023. The General Fund paid $31,107 to the Board for health insurance. In addition, $38,673 was due to the Board at September 30, 2023.

NOTE 8 RISK MANAGEMENT

The Supervisor of Elections participates in the risk management program through the Hardee County Board of County Commissioners under a local government risk pool. The following types of risk are provided for under the risk management pool:

- Property and General Liability
- Automobile Liability
- Public Officials' Liability
- Workers' Compensation

The risk pool assesses each member its pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments (premiums) do not produce sufficient funds to meet its obligations, the pool can make additional limited assessments. Losses, if any, in excess of the pool's ability to assess its members would revert back to the member that incurred the loss.

NOTE 9 CONTINGENCIES

The Supervisor of Elections has received grants which are subject to special compliance audits by the grantor agency and which may result in disallowed expenditure amounts. These amounts, if any, constitute a contingent liability of the Supervisor of Elections. Accordingly, such liabilities are not reflected within the financial statements. Management does not believe the effects of contingent liabilities, if any, will be material to the financial statements.

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

The Honorable Diane Smith
Hardee County Supervisor of Elections
Hardee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the General Fund of the Hardee County Supervisor of Elections (Supervisor of Elections), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Supervisor of Elections' basic financial statements, and have issued our report thereon dated February 12, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor of Elections' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.*

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
February 12, 2024

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MANAGEMENT LETTER

The Honorable Diane Smith
Hardee County Supervisor of Elections
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hardee County Supervisor of Elections (Supervisor of Elections), Florida as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated February 12, 2024.

Auditors' 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; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' 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, which are dated February 12, 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 annual financial audit report. Corrective actions have been taken to address findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

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Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. See item 2023-001 in the accompanying schedule of findings and responses.

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 Supervisor of Elections, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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Sebring, Florida
February 12, 2024

HARDEE COUNTY SUPERVISOR OF ELECTIONS
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2023

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

2023-001 – Budgets

Type of Finding:

- Compliance

Condition: For the year ended September 30, 2023, expenditures in the General Fund exceeded the final appropriated budget.

Criteria or Specific Requirement: Section 129.201, Florida Statutes, sets forth the requirements of the Supervisor of Elections' budget.

Context: Testing of compliance with budgetary requirements identified the deficiency.

Effect: The Supervisor of Elections is not in compliance with the budgetary requirements of Florida Statutes.

Cause: The budget was not amended for certain expenditures funded by intergovernmental grant revenues, which were not part of the original budget. The reported total expenditures of the General Fund exceeded the final budget.

Recommendation: Budgets should be monitored and amended when needed, within the time period allowed by statute, to ensure that the Supervisor of Elections does not incur expenditures in excess of budgeted amounts. The Supervisor of Elections should request amendments to their General Fund budget for any additional revenue sources and associated expenditures.

Views of Responsible Officials: I concur with the findings of the Auditor's Report for the 2022/2023 Budget year. The Supervisor of Elections Office will attempt to prevent future occurrences.

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INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Diane Smith, Hardee County Supervisor of Elections
and the Florida Auditor General
Hardee County Supervisor of Elections
Hardee County, Florida

We have examined the Hardee County Supervisor of Elections' (Supervisor of Elections), compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management of the Supervisor of Elections is responsible for the Supervisor of Elections' compliance with the specified requirements. Our responsibility is to express an opinion on the Supervisor of Elections' 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 Supervisor of Elections complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Supervisor of Elections 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervisor of Elections complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023.

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

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Sebring, Florida
February 12, 2024

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HARDEE COUNTY SHERIFF

FINANCIAL STATEMENTS AND SUPPLEMENTAL REPORTS

YEAR ENDED SEPTEMBER 30, 2023



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HARDEE COUNTY SHERIFF
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2023

INDEPENDENT AUDITORS' REPORT	**1**
FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	**4**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	**5**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	**6**
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS	**7**
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS	**8**
NOTES TO FINANCIAL STATEMENTS	**9**
SUPPLEMENTARY INFORMATION	
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS	**21**
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS	**22**
COMBINING STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS	**23**
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS	**24**
SUPPLEMENTAL REPORTS	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	**25**
MANAGEMENT LETTER	**27**
SCHEDULE OF FINDINGS AND RESPONSES	**29**
INDEPENDENT ACCOUNTANTS' REPORT	**31**

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INDEPENDENT AUDITORS' REPORT

The Honorable Vincent Crawford
Hardee County Sheriff
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Hardee County Sheriff (Sheriff) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff of Hardee County, Florida and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Sheriff of Hardee County, Florida referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the state of Florida. In conformity with the Rules, the financial statements are intended to present the financial position and changes in financial position of only that portion of each major fund and the aggregate remaining fund information of Hardee County, Florida that is attributable to the transactions of the Sheriff. They do not purport to, and do not, present fairly the financial position of Hardee County, Florida as of September 30, 2023, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' 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 GAAS 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 GAAS 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 Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statement is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2024, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

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Sebring, Florida
February 6, 2024

HARDEE COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General Fund	E-911 Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash	$ 2,702,454	$ 242,417	$ 171,059	$ 3,115,930
Due from the Board of County Commissioners	90,315	-	-	90,315
Due from Other Governments	99,321	-	-	99,321
Prepaid Items	217,500	-	-	217,500
Total Assets	$ 3,109,590	$ 242,417	$ 171,059	$ 3,523,066
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 112,764	$ -	$ 313	$ 113,077
Accrued Liabilities	517,327	-	-	517,327
Due to the Board of County Commissioners	2,479,499	221,985	-	2,701,484
Total Liabilities	3,109,590	221,985	313	3,331,888
FUND BALANCES				
Restricted	-	20,432	170,746	191,178
Total Liabilities and Fund Balances	$ 3,109,590	$ 242,417	$ 171,059	$ 3,523,066

See accompanying Notes to Financial Statements.

HARDEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	General Fund	E-911 Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Appropriations from Board of County Commissioners	$ 12,987,133	$ 445,587	$ -	$ 13,432,720
Intergovernmental	688,570	-	-	688,570
Charges for Services	837,502	-	-	837,502
Fines and Forfeitures	-	-	5,131	5,131
Interest	54,169	-	-	54,169
Miscellaneous	366,516	-	40,094	406,610
Total Revenues	14,933,890	445,587	45,225	15,424,702
EXPENDITURES				
Current:				
Public Safety:				
Salaries and Benefits	9,589,427	-	-	9,589,427
Operating Expenditures	2,797,690	223,602	28,530	3,049,822
Capital Outlay	558,335	-	-	558,335
Debt Service:				
Principal Retirement	813	-	812	1,625
Interest and Fiscal Charges	9	-	8	17
Total Expenditures	12,946,274	223,602	29,350	13,199,226
EXCESS OF REVENUES OVER EXPENDITURES	1,987,616	221,985	15,875	2,225,476
OTHER FINANCING USES				
Transfers to Board of County Commissioners	(1,987,616)	(221,985)	-	(2,209,601)
NET CHANGE IN FUND BALANCES	-	-	15,875	15,875
Fund Balances - Beginning of Year	-	20,432	154,871	175,303
FUND BALANCES - END OF YEAR	$ -	$ 20,432	$ 170,746	$ 191,178

See accompanying Notes to Financial Statements.

HARDEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Appropriations from Board of County Commissioners	$ 12,991,311	$ 12,999,234	$ 12,987,133	$ (12,101)
Intergovernmental	-	707,919	688,570	(19,349)
Charges for Services	-	827,079	837,502	10,423
Interest	-	54,169	54,169	-
Miscellaneous	-	282,846	366,516	83,670
Total Revenues	12,991,311	14,871,247	14,933,890	62,643
EXPENDITURES				
Current:				
Public Safety:				
Salaries and Benefits	10,397,917	10,601,796	9,589,427	1,012,369
Operating Expenditures	2,155,403	2,230,473	2,797,690	(567,217)
Capital Outlay	437,991	437,991	558,335	(120,344)
Debt Service:				
Principal	-	-	813	(813)
Interest	-	-	9	(9)
Total Expenditures	12,991,311	13,270,260	12,946,274	323,986
EXCESS OF REVENUES OVER EXPENDITURES	-	1,600,987	1,987,616	386,629
OTHER FINANCING USES				
Transfer to the Board of County Commissioners	-	(1,600,987)	(1,987,616)	(386,629)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

HARDEE COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION –
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
ASSETS	
Cash	$ 56,149
LIABILITIES	
Due to Others	8,185
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	47,964
Total Net Position	$ 47,964

See accompanying Notes to Financial Statements.

HARDEE COUNTY SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
ADDITIONS	
Collections from Individuals	$ 193,132
Evidence Collected	22,544
Fees Collected for Other Governments	31,913
Total Additions	247,589
DEDUCTIONS	
Medical, Dental, and Life Insurance	36,763
Payments to Individuals	46,705
Payments to Other Entities	108,603
Payments to Other Governments	52,727
Total Deductions	244,798
NET DECREASE IN FIDUCIARY NET POSITION	2,791
Fiduciary Net Position - Beginning of Year	45,173
FIDUCIARY NET POSITION - END OF YEAR	$ 47,964

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Hardee County Sheriff (Sheriff) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these statements.

Reporting Entity

Hardee County, Florida (County) is a political subdivision of the state of Florida. It is governed by an elected Board of County Commissioners (Board) and an appointed County Administrator, as provided by Section 125.73 of the Florida Statutes. The County Administrator is responsible for the administration of all departments of which the Board has the authority to control pursuant to the general laws of Florida.

The Sheriff is an elected official of Hardee County, Florida pursuant to the Constitution of the state of Florida, Article VIII, Section 1(d). The Sheriff is part of the primary government of Hardee County, Florida. The Sheriff is responsible for the administration and operation of the Sheriff's office. The Sheriff's financial statements include only the funds of the Sheriff's office. There are no separate legal entities (component units) for which the Sheriff is considered to be financially accountable.

Basis of Presentation, Basis of Accounting, and Measurement Focus

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Sheriff to only present fund financial statements. These financial statements present only the portion of the funds of Hardee County, Florida that are attributable to the Sheriff. They are not intended to present fairly the financial position and results of operations of Hardee County, Florida in conformity with GAAP.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenue is recognized when it becomes measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Sheriff considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The custodial funds use the economic resources measurement focus and the accrual basis of accounting.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

The County funds the majority of the operating budget of the Sheriff. The payments by the County to fund the operations of the Sheriff are recorded as expenditures for salaries and benefits, operating expenditures, capital outlay, and debt service in governmental type funds in the financial statements of the County, and as appropriations revenues in the basic financial statements of the Sheriff.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes.

A budget is legally adopted for the General Fund and is on the modified accrual basis of accounting. The Sheriff is not legally required to adopt a budget for the E-911 Fund, Commissary Fund, Education Fund, Youth Fund, Flower Fund, or Drug Task Force Fund. Therefore, budget comparison information is not included in the Sheriff's financial statements. Budgetary control is at the expenditure classification level (salaries and benefits, operating expenditures, and capital outlay). Budgetary changes within expenditure classification are made at the discretion of the Sheriff. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

Fund Accounting

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

Major Governmental Funds

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

E911 Fund – The E911 Fund is a special revenue fund that accounts for E911 fees under Sections 365.171 and 365.172, Florida Statutes, and E911 grants related to providing E911 services within the County. These monies are restricted for maintenance and upgrade of the E911 system.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

Nonmajor Governmental Funds

Commissary Fund – The Commissary Fund is a special revenue fund used to account for commissions earned by providing goods and services to the inmates. These resources are restricted by Section 951.23, Florida Statutes, for inmate welfare.

Education Fund – The Education Fund is a special revenue fund which accounts for an assessment added to certain fines under Section 938.15, Florida Statutes. These monies are restricted for criminal justice education degree programs and training courses.

Youth Fund – The Youth Fund is a special revenue fund used to account for donations received from individuals which are restricted for youth programs.

Flower Fund – The Flower Fund is a special revenue fund used to account for contributions received from employees which are restricted for employee events.

Drug Task Force Fund – The Drug Task Force Fund is a special revenue fund used account for forfeitures received under Section 932.7055 Florida Statutes. These monies are restricted for specified law enforcement purposes.

Fiduciary Funds

Custodial Funds – Custodial funds are fiduciary in nature and used to account for assets associated with law enforcement and detention activities, which benefit other governments, entities, and individuals.

Fund Balance and Spending Policies

In accordance with GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned. As of September 30, 2023, there was no fund balance in the General Fund. The remaining fund balances in the E911 Fund, Commissary Fund, Education Fund, Youth Fund, Flower Fund, and Drug Task Force Fund are appropriately classified as restricted. E911 Fund is restricted for emergency 911 activities while the other restrictions are disclosed on the combining balance sheet – nonmajor governmental funds. Any nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

As the Sheriff is an elected official responsible for the activities of the Sheriff's office, he is the highest level of decision-making authority and any official order from the Sheriff would be required to authorize commitment of fund balance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies (Continued)

The Sheriff has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states when an expenditure is incurred in which restricted, committed, assigned, or unassigned amounts are available to be used, the Sheriff will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

Net Position

Restricted net position as of September 30, 2023 consists of amounts held as cash evidence, awaiting a court disposition, and inmate account balances. There are no unrestricted amounts.

Capital Assets

Capital assets are recorded as expenditures in the governmental funds at the time an asset is acquired. Assets acquired by the Sheriff are capitalized at cost. Donated and confiscated assets are recorded at acquisition value at the time received. All capital assets are reported in the government-wide financial statements of the County. The Sheriff maintains custodial responsibility for these capital assets.

Capital assets are defined by the Sheriff as assets with an initial, individual cost of $1,500 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accrued Compensated Absences

It is the Sheriff's policy to allow employees to accumulate annual and sick leave. Employees can accumulate and carry over 160 hours of annual leave and an unlimited amount of sick leave. Annual leave is paid out at separation of service for the hours accumulated to that date. Sick leave is paid out upon retirement in varying amounts based on their length of service as follows.

Length of Service	Percentage of Sick Leave
10 to 14 Years	25%
15 to 19 Years	35%
20 Years Plus	50%

The Sheriff's liability for compensated absences is reported as noncurrent liabilities in the records of the County as a whole. Because of their spending measurement focus, expenditure recognition for governmental funds is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the fund financial statements is in conformity with accounting principles generally prescribed by the Auditor General, state of Florida, and requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Sheriff participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, are reported in the financial statements of the County.

Adoption of New Accounting Standards:

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.* This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The Sheriff adopted the requirements of the guidance effective October 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption. Implementation of this standard did not have an impact on the Sheriff's financial statements.

NOTE 2 CASH

At September 30, 2023, the Sheriff's total bank balance was $3,286,040. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

Custodial credit risk is the risk that in the event of a bank failure the government's deposits may not be returned to it. The Sheriff's monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the Sheriff's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, Florida Department of Financial Services. The law requires the chief financial officer to ensure that funds are entirely collateralized throughout the fiscal year. Other than the preceding, the Sheriff has no policy on custodial credit risk.

NOTE 2 CASH (CONTINUED)

Collateral is provided for demand deposits through the Florida Security for Public Deposits Act. This law establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under this law, the qualified public depository must pledge at least 25% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

Additional collateral, up to a maximum of 150%, may be required if deemed necessary under the conditions set forth in this law. Eligible collateral consists of obligations of the United States and its agencies and obligations of states and their local political subdivisions and unaffiliated corporations.

Obligations pledged to secure deposits must be delivered to the Department of Financial Services or, with the approval of the chief financial officer, to a bank, savings association or trust company provided a power of attorney is delivered to the Chief Financial Officer. On a monthly basis, the Chief Financial Officer determines that the collateral has a market value adequate to cover the deposits under the provisions of this law.

A reconciliation to amount shown on the balance sheet and statement of fiduciary net position is as follows:

Demand Deposits	$ 3,172,079
Balance Sheet:	
Cash	$ 3,115,930
Statement of Fiduciary Net Position:	
Cash	56,149
Total Cash	$ 3,172,079

NOTE 3 CAPITAL ASSETS

The following is a summary of changes in capital assets for which the Sheriff is custodian for the year ended September 30, 2023:

	Balance October 1, 2022	Additions	Disposals	Balance September 30, 2023
Capital Assets, Being Depreciated and Amortized:				
Machinery and Equipment	$ 5,849,494	$ 585,412	$ (503,876)	$ 5,931,030
Right-to-Use Lease Assets	3,899	-	(3,899)	-
Less: Accumulated Depreciation				
Machinery and Equipment	(3,935,243)	(652,145)	415,444	(4,171,944)
Right-to-Use Lease Assets	(2,301)	(1,598)	3,899	-
Total Capital Assets, Net	$ 1,915,849	$ (68,331)	$ (88,432)	$ 1,759,086

NOTE 4 PENSION PLANS

Background

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

Essentially all regular employees of the Sheriff are eligible to enroll as members of the state-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 8 years after electing to participate, except that certain instructional personnel may participate for up to 8 years. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continue)

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiemployer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 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.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

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

NOTE 4 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Sheriff employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

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

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

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Sheriff's contributions made to the plans during the years ended September 30, 2023, 2022, and 2021 were $1,559,507, $1,266,988, and $1,162,414, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County-wide financial statements.

NOTE 5 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences for the year ended September 30, 2023:

	Balance October 1, 2022	Net (Decrease)	Balance September 30, 2023	Due Within One Year
Accrued Compensated Absences	$ 451,136	$ 35,833	$ 486,969	$ -

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Sheriff's compensated absences policy. The long-term liabilities are not reported in the financial statements of the Sheriff since they are not payable from spendable resources. They are reported in the financial statements of the County.

NOTE 6 LEASES

The Sheriff leases assets for various terms under certain agreements that meet the definition of a lease under GASB Statement No. 87 – *Leases*. Detailed information about the Sheriff's leases can be found in the Hardee County county-wide financial statements.

Leases entered into by the Sheriff are included as other financing sources and capital outlay expenditures in the statement of revenues, expenditures, and changes in fund balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the statement of revenues, expenditures, and changes in fund balance as they are incurred.

During the year ended September 30, 2023, the Sheriff's payments of principal and interest on leases totaled $1,642.

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Hardee County Board of County Commissioners for the year ended September 30, 2023 were as follows:

Budget Appropriation – The General Fund received revenue from the Board of County Commissioners in the amount of $12,987,133 for the year ended September 30, 2023. At September 30, 2023, $2,479,499 was due to the Board from the General Fund. The E911 Fund received revenue from the Board of County Commissioners in the amount of $445,587. At September 30, 2023, $221,985 was due to the Board from the E911 Fund.

NOTE 8 RISK MANAGEMENT

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There are no significant reductions in insurance coverage from the prior year.

The Sheriff participates in the Florida Sheriffs Risk Management Fund (FSRMF) which is a public entity risk pool that permits the Sheriff to cover the following types of risks:

- Law Enforcement Liability
- Public Officials' Liability
- Automobile Physical Damage and Liability
- And others

The funding agreements provide that the self-insurance funds will be self-sustaining through member premiums and that the Sheriff's liability fund will reinsure through commercial companies. Those funds and program absorb losses up to a specified amount annually and purchases excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operating expenses. Losses, if any, in excess of the fund or program ability to assess its members would revert back to the member that incurred the loss.

The Sheriff also participants in FSRMF for workers' compensation coverage.

There have been no claim settlements in excess of coverage during the past three years.

NOTE 9 COMMITMENTS AND CONTINGENCIES

The Sheriff is currently receiving, and has received in the past, grants which are subject to special compliance audits by the grantor agency and which may result in disallowed expenditure amounts. These amounts, if any, constitute a contingent liability of the Sheriff. Accordingly, such liabilities are not reflected within the financial statements. Management does not believe the effects of contingent liabilities, if any, will be material to the financial statements.

The Sheriff is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of management, the ultimate disposition of these lawsuits and claims should not have a material adverse effect on the financial position of the Sheriff.

HARDEE COUNTY SHERIFF
COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Commissary Fund	Education Fund	Youth Fund	Flower Fund	Drug Task Force Fund	Total Nonmajor Governmental Funds
ASSETS						
Cash	$ 128,461	$ 33,038	$ 8,425	$ 1,135	$ -	$ 171,059
LIABILITIES						
Accounts Payable	$ 270	$ -	$ -	$ 43	$ -	$ 313
FUND BALANCES						
Restricted for:						
Education	-	33,038	-	-	-	33,038
Inmate Welfare	128,191	-	-	-	-	128,191
Law Enforcement	-	-	-	1,092	-	1,092
Youth Programs	-	-	8,425	-	-	8,425
Total Fund Balances	128,191	33,038	8,425	1,092	-	170,746
Total Liabilities and Fund Balances	$ 128,461	$ 33,038	$ 8,425	$ 1,135	$ -	$ 171,059

HARDEE COUNTY SHERIFF
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Commissary Fund	Education Fund	Youth Fund	Flower Fund	Drug Task Force Fund	Total Nonmajor Governmental Funds
REVENUES						
Fines and Forfeitures	$ -	$ 5,131	$ -	$ -	$ -	$ 5,131
Miscellaneous	31,465	-	6,801	1,828	-	40,094
Total Revenues	31,465	5,131	6,801	1,828	-	45,225
EXPENDITURES						
Current:						
Public Safety:						
Operating Expenditures	9,446	9,790	6,366	2,406	522	28,530
Debt Service:						
Principal	812	-	-	-	-	812
Interest	8	-	-	-	-	8
Total Expenditures	10,266	9,790	6,366	2,406	522	29,350
NET CHANGE IN FUND BALANCES	21,199	(4,659)	435	(578)	(522)	15,875
Fund Balances - Beginning of Year	106,992	37,697	7,990	1,670	522	154,871
FUND BALANCES - END OF YEAR	$ 128,191	$ 33,038	$ 8,425	$ 1,092	$ -	$ 170,746

HARDEE COUNTY SHERIFF
COMBINING STATEMENT OF FIDUCIARY NET POSITION –
FIDUCIARY FUNDS – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds				
	Suspense Fund	Collections Fund	Evidence Fund	Inmate Fund	Total
ASSETS					
Cash	$ 7,425	$ 760	$ 31,911	$ 16,053	$ 56,149
LIABILITIES					
Due to Others	7,425	760	-	-	8,185
NET POSITION					
Restricted for Individuals, Organizations, and Other Governments	-	-	31,911	16,053	47,964
Total Net Position	$ -	$ -	$ 31,911	$ 16,053	$ 47,964

HARDEE COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
FIDUCIARY FUNDS – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds				
	Suspense Fund	Collections Fund	Evidence Fund	Inmate Fund	Total
ADDITIONS					
Collections from Individuals	$ 36,763	$ -	$ -	$ 156,369	193,132
Evidence Collected		-	22,544	-	22,544
Fees Collected for Other Governments	31,913	-	-	-	31,913
Total Additions	68,676	-	22,544	156,369	247,589
DEDUCTIONS					
Medical, Dental, and Life Insurance	36,763	-	-	-	36,763
Payments to Individuals	-	-	-	46,705	46,705
Payments to Other Entities	-	-	-	108,603	108,603
Payments to Other Governments	31,913	-	20,814	-	52,727
Total Deductions	68,676	-	20,814	155,308	244,798
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	1,730	1,061	2,791
Fiduciary Net Position - Beginning of Year	-	-	30,181	14,992	45,173
FIDUCIARY NET POSITION - END OF YEAR	$ -	$ -	$ 31,911	$ 16,053	$ 47,964

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

The Honorable Vincent Crawford
Hardee County Sheriff
Hardee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of Hardee County Sheriff (Sheriff), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated February 6, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

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We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.*

Hardee County Sheriff's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Sheriff's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The Sheriff's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

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Sebring, Florida
February 6, 2024

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MANAGEMENT LETTER

The Honorable Vincent Crawford
Hardee County Sheriff
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hardee County Sheriff (Sheriff) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated February 6, 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; and Chapter 10.550 Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' 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, which are dated February 6, 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 annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report except as noted in schedule of findings and responses.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

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Financial Management

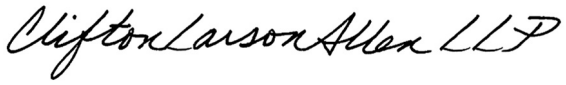
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

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 Sheriff and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.



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Sebring, Florida
February 6, 2024

HARDEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2023

PRIOR YEAR

Prior Years Findings		Current Year Status			Current Year Finding #	2020-2021 Year Finding #	2019-2020 Year Finding #
		Cleared	Partially Cleared	Not Cleared			
2022-001 - Audit Adjustments and Account Reconciliations	Material Weakness			X	2023-001	2022-001	2021-001
2021-002 - Bank Reconciliations	Material Weakness	X			N/A	2022-002	2021-002
2021-003 - Budgets	Compliance	X			N/A	2022-003	2021-003

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

2023-001 – Audit Adjustments and Account Reconciliations (Previously Identified as Finding 2021-001)

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: In prior years, material audit adjustments to correct the Sheriff's financial statements were identified during the audit. These types of errors were identified again in the current year and resulted in some material adjustments to the Sheriff's financial statements related to excess fees and the associated liability for amounts due at fiscal year-end and amounts due from other governments.

Accounts including receivables, accrued liabilities, and liabilities to other governments did not reconcile to supporting documentation.

Criteria or Specific Requirement: The Sheriff's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Context: Testing of account balances identified the deficiencies.

Effect: Assets, liabilities, expenditures, and other financing uses were misstated.

Cause: There is unfamiliarity with how to account and report for certain transactions. Account reconciliations were either not performed or were not completed in a manner that identified and resolved issues with account balances.

Recommendation: Account reconciliations should be prepared monthly, including at fiscal year-end, by one person and reviewed by another. Reconciliations should be performed for all balance sheet accounts including, receivables, accounts payable, liabilities to other governments, and any other balances. Review of certain revenue and expenditure accounts should be performed as well to assist in identifying errors. Any discrepancies should be investigated and resolved. Trial balances should be reviewed to ensure that all accounts are reconciled and any related adjustments from a prior or current year are posted.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)

2023-001 – Audit Adjustments and Account Reconciliations (Previously Identified as Finding 2021-001) (Continued)

Views of Responsible Officials: In August 2023 the finance manager has been conducting monthly account reconciliations and has been consulting with CLA customer service to gain a better understanding of the requirements to meet this standard. During the reconciliation process, the general ledger and trial balance are being reviewed to ensure any issues during the month are being corrected and all entries are posted correctly. We anticipate this will not be a finding on the next audit and will continue to consult with CLA to ensure we are meeting the standard.

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INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Vincent Crawford, Hardee County Sheriff
and the Florida Auditor General
Hardee County, Florida

We have examined the Hardee County Sheriff's (Sheriff) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management of the Sheriff is responsible for the Sheriff's compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff'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 Sheriff complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Sheriff 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Sheriff's compliance with specified requirements.

In our opinion, the Sheriff complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
February 6, 2024

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HARDEE COUNTY CLERK OF THE CIRCUIT COURT

FINANCIAL STATEMENTS AND SUPPLEMENTAL REPORTS

YEAR ENDED SEPTEMBER 30, 2023



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HARDEE COUNTY CLERK OF THE CIRCUIT COURT
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2023

INDEPENDENT AUDITORS' REPORT	**1**
BALANCE SHEET – GOVERNMENTAL FUNDS	**4**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	**5**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	**6**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – FINE AND FORFEITURE FUND	**7**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – PUBLIC RECORDS MODERNIZATION TRUST FUND	**8**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – CHILD SUPPORT IV–D FUND	**9**
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS	**10**
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS	**11**
NOTES TO FINANCIAL STATEMENTS	**12**
SUPPLEMENTARY INFORMATION	
COMBINING STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS	**24**
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS	**25**
SUPPLEMENTAL REPORTS	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	**26**
MANAGEMENT LETTER	**28**
SCHEDULE OF FINDINGS AND RESPONSES	**30**
INDEPENDENT ACCOUNTANTS' REPORT	**31**

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INDEPENDENT AUDITORS' REPORT

The Honorable Victoria L. Rogers
Hardee County Clerk of the Circuit Court
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Hardee County Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements 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 each major fund and the aggregate remaining fund information of the Clerk, as of September 30, 2023, and the respective changes in financial position and the respective budgetary comparisons for the General Fund, Fine and Forfeiture Fund, Public Records Modernization Trust Fund, and Child Support IV-D Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Clerk referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the state of Florida. In conformity with the Rules, the financial statements are intended to present the financial position and changes in financial position of only that portion of each major fund and the aggregate remaining fund information of Hardee County, Florida that is attributable to the transactions of the Clerk. They do not purport to, and do not, present fairly the financial position of Hardee County, Florida as of September 30, 2023, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' 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 GAAS 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk'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.

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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's basic financial statements. The combining statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2024 , on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk'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 Clerk's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

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Sebring, Florida
June 5, 2024

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Major Funds				
	General	Fine and Forfeiture	Public Records Modernization Trust	Child Support IV-D	Total Governmental Funds
ASSETS					
Cash	$ 227,824	$ 339,207	$ 136,511	$ 75,805	$ 779,347
Due from Other Funds	5	-	82,299	36,866	119,170
Due from Other Governments	4,846	37,140	-	16,405	58,391
Prepaid Items	4,175	2,294	492	-	6,961
Total Assets	$ 236,850	$ 378,641	$ 219,302	$ 129,076	$ 963,869
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Liabilities	$ 47,122	$ 10,374	$ 9,268	$ 676	$ 67,440
Due to Board of County Commissioners	97,463	-	-	-	97,463
Due to Other Funds	92,265	-	26,905	-	119,170
Due to Other Governments	-	355,228	-	-	355,228
Total Liabilities	236,850	365,602	36,173	676	639,301
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Intergovernmental	-	13,039	-	8,649	21,688
FUND BALANCES					
Nonspendable	4,175	2,294	492	-	6,961
Restricted - Official Records	-	-	168,572	-	168,572
Restricted - Court Technology	-	-	14,065	-	14,065
Committed - Clerk Related Functions	-	-	-	119,751	119,751
Unassigned	(4,175)	(2,294)	-	-	(6,469)
Total Fund Balances	-	-	183,129	119,751	302,880
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 236,850	$ 378,641	$ 219,302	$ 129,076	$ 963,869

See accompanying Notes to Financial Statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Major Funds				
	General	Fine and Forfeiture	Public Records Modernization Trust	Child Support IV-D	Total Governmental Funds
REVENUES					
Appropriations from Board of County Commissioners	$ 781,300	$ -	$ -	$ -	$ 781,300
Intergovernmental	-	461,555	-	79,638	541,193
Charges for Services	118,761	600,200	37,240	-	756,201
Interest Income	5,836	7,804	27	1,384	15,051
Miscellaneous	739	449	-	1,340	2,528
Total Revenues	906,636	1,070,008	37,267	82,362	2,096,273
EXPENDITURES					
Current:					
General Government:					
Salaries and Benefits	636,932	770,183	4,081	81,177	1,492,373
Operating Expenditures	150,312	32,518	29,535	371	212,736
Capital Outlay	21,929	-	-	-	21,929
Total Expenditures	809,173	802,701	33,616	81,548	1,727,038
EXCESS OF REVENUES OVER EXPENDITURES	97,463	267,307	3,651	814	369,235
OTHER FINANCING USES					
Distribution of Excess Revenues:					
Board of County Commissioners	(97,463)	-	-	-	(97,463)
State of Florida	-	(267,307)	-	-	(267,307)
NET CHANGE IN FUND BALANCES	-	-	3,651	814	4,465
Fund Balances - Beginning of Year	-	-	179,478	118,937	298,415
FUND BALANCES - END OF YEAR	$ -	$ -	$ 183,129	$ 119,751	$ 302,880

See accompanying Notes to Financial Statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Appropriations from Board of County Commissioners	$ 781,300	$ 781,300	$ 781,300	$ -
Charges for Services	100,000	118,761	118,761	-
Interest Income	-	5,836	5,836	-
Miscellaneous	-	739	739	-
Total Revenues	881,300	906,636	906,636	-
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	705,567	636,932	636,932	-
Operating Expenditures	137,133	150,312	150,312	-
Capital Outlay	38,600	21,929	21,929	-
Total Expenditures	881,300	809,173	809,173	-
EXCESS OF REVENUES OVER EXPENDITURES	-	97,463	97,463	-
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	-	(97,463)	(97,463)	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FINE AND FORFEITURE FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 442,378	$ 472,683	$ 461,555	$ (11,128)
Charges for Services	520,672	600,200	600,200	-
Interest Income	6,500	7,804	7,804	-
Miscellaneous	-	449	449	-
Total Revenues	969,550	1,081,136	1,070,008	(11,128)
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	932,005	770,183	770,183	-
Operating Expenditures	37,545	32,518	32,518	-
Total Expenditures	969,550	802,701	802,701	-
EXCESS OF REVENUES OVER EXPENDITURES	-	278,435	267,307	(11,128)
OTHER FINANCING USES				
Distribution of Excess Revenues:				
State of Florida	-	(278,435)	(267,307)	11,128
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PUBLIC RECORDS MODERNIZATION TRUST FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for Services	$ 40,641	$ 37,240	$ 37,240	$ -
Interest Income	65	27	27	-
Total Revenues	40,706	37,267	37,267	-
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	4,314	4,081	4,081	-
Operating Expenditures	176,521	177,266	29,535	147,731
Capital Outlay	39,347	35,396	-	35,396
Total Expenditures	220,182	216,743	33,616	183,127
NET CHANGE IN FUND BALANCE	(179,476)	(179,476)	3,651	183,127
Fund Balance - Beginning of Year	179,476	179,476	179,478	2
FUND BALANCE - END OF YEAR	$ -	$ -	$ 183,129	$ 183,129

See accompanying Notes to Financial Statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
CHILD SUPPORT IV–D FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 84,000	$ 88,287	$ 79,638	$ (8,649)
Interest Income	135	1,384	1,384	-
Miscellaneous	-	1,340	1,340	-
Total Revenues	84,135	91,011	82,362	(8,649)
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	84,919	81,177	81,177	-
Operating Expenditures	118,150	128,768	371	128,397
Total Expenditures	203,069	209,945	81,548	128,397
NET CHANGE IN FUND BALANCE	(118,934)	(118,934)	814	119,748
Fund Balance - Beginning of Year	118,934	118,934	118,937	3
FUND BALANCE - END OF YEAR	$ -	$ -	$ 119,751	$ 119,751

See accompanying Notes to Financial Statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
ASSETS	
Cash	$ 462,713
LIABILITIES	
Due to Individuals	27,558
Due to Other Governments	169,591
Total Liabilities	197,149
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	$ 265,564

See accompanying Notes to Financial Statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
ADDITIONS	
Collections for Court Related Activities	$ 1,247,548
Taxes and Fees Collected for Other Governments	2,572,292
Collections from Individuals	160,414
Total Additions	3,980,254
DEDUCTIONS	
Payment of Court Related Funds	1,185,631
Payments to Other Governments	2,572,292
Payments to Individuals	177,413
Total Deductions	3,935,336
NET INCREASE IN FIDUCIARY NET POSITION	44,918
Fiduciary Net Position - Beginning of Year	220,646
FIDUCIARY NET POSITION - END OF YEAR	$ 265,564

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Hardee County Clerk of Circuit Court (Clerk) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of the significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

Hardee County, Florida (County) is a political subdivision of the state of Florida. It is governed by an elected Board of County Commissioners (Board) and an appointed County Administrator, as provided by Section 125.73 of the Florida Statutes. The County Administrator is responsible for the administration of all departments of which the Board has the authority to control pursuant to the general laws of Florida.

The Clerk is an elected official of Hardee County, Florida pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Clerk is part of the primary government of Hardee County, Florida. The Clerk is responsible for the administration and operation of the Clerk's office. The Clerk's financial statements include only the funds of the Clerk's office. There are no separate legal entities (component units) for which the Clerk is considered to be financially accountable.

The Clerk funds operations as a fee officer and a Budget Officer pursuant to Florida Statutes Chapters 28, 218, and 129, respectively. As a fee officer, the Clerk collects fees and commissions from court related matters. As a budget officer, the operations as Clerk to the Board are approved and funded by the Board. The budgeted receipts from the Board are recorded as revenue on the Clerk's financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures as Clerk to the Board are remitted to the Board at year-end.

Court related fees collected by the Clerk in carrying out duties are used to fund the court functions of the Clerk.

Basis of Presentation, Basis of Accounting, and Measurement Focus

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which requires the Clerk to present only fund financial statements. These financial statements present only the portion of the funds of the Hardee County, Florida that are attributable to the Clerk. They are not intended to present fairly the financial position and results of operations of the Hardee County, Florida in conformity with GAAP.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

All governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Clerk considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized when a liability is incurred as under accrual accounting. However, expenditures related to accumulated compensated absences, and claims and judgments are recorded only when payments are due.

The custodial funds use the economic resources measurement focus and the accrual basis of accounting.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statues.

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted for the General Fund, Fine and Forfeiture Fund, Public Records Modernization Trust Fund, and Child Support IV-D Fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on a basis consistent with GAAP.

The Clerk's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Fund Accounting

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

The purposes of the Clerk's funds are as follows:

Governmental Funds

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

Fine and Forfeiture Fund – The Fine and Forfeiture Fund is established in accordance with Sections 28.35 and 28.37, Florida Statutes. It is used to account for court fines, fees, service charges, liabilities, and costs.

Public Records Modernization Trust Fund – The Public Records Modernization Trust Fund is established in accordance with Florida Statutes. It is used to account for fees restricted to court technology and public records modernization pursuant to Section 28.24, Florida Statutes.

Child Support IV-D Fund – The Child Support IV-D fund is used to account for the child support enforcement grant and related expenditures. In addition, amounts that exceed operating costs of running the child support depository program are to be used for Clerk related functions as directed by the Board.

Fiduciary Funds

Custodial Funds – Custodial funds are fiduciary in nature and used to account for assets associated with court-related, official records, and other activities, which benefit other governments, entities, and individuals.

Fund Balance and Spending Policies

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned. As of September 30, 2023, there was no total fund balance in the General Fund or Fine and Forfeitures Fund, the remaining fund balances in the Public Records Modernization Trust Fund and Child Support IV-D Fund are appropriately classified as restricted and committed, respectively.

As the Clerk is an elected official responsible for the activities of the Clerk's office, the Clerk is the highest level of decision-making authority and any official order from the Clerk would be required to authorize commitment of fund balance. Also, the accounting manager has been given the authority to assign fund balance for a specific purpose, when identified.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies (Continued)

The Clerk has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states when an expenditure is incurred in which restricted, committed, assigned, or unassigned amounts are available to be used, the Clerk will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

Net Position

Restricted net position in the custodial funds as of September 30, 2023 consists of amounts held awaiting outcomes of court proceedings and tax deed process. There are no unrestricted amounts.

Capital Assets

Capital assets are recorded as expenditures in the governmental funds at the time an asset is acquired. Assets acquired by the Clerk are capitalized at cost. Donated assets are recorded at acquisition value at the time received. All capital assets are reported in the government-wide financial statements of the County. The Clerk maintains custodial responsibility for these capital assets.

Capital assets are defined by the Clerk as assets with an initial, individual cost of $1,500 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accumulated Unpaid Vacation and Sick Pay

It is the Clerk's policy to allow employees to accumulate vacation and sick leave.

Employees shall be paid for accumulated and unused vacation leave. The maximum permissible accumulation of annual leave on a calendar year basis is as follows.

Length of Service	Maximum Number of Hours
0-10 Years	120
11-20 Years	160
21 Years and Over	200

Any accumulation in excess of the maximum number of hours during the calendar year is permissible and is eligible to be paid out at time of separation of employment.

Employees shall be paid for accumulated and unused sick leave. There is no limit to the number of hours of sick leave that an employee may accumulate. Sick leave is paid out in varying percentages based on the number of years of service:

Length of Service	Percent of Sick Leave
0-20 Years	0.0%
21-24 Years	25.0%
25-29 Years	37.5%
30 Years and Over	50.0%

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the financial statements is in conformity with accounting principles prescribed by the Auditor General, State of Florida, and requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligation

In accordance with Section 112.0801, Florida Statutes, the Clerk participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, are reported in the financial statements of the County.

Adoption of New Accounting Standards:

In May 2020, the GASB issued GASB Statement No. 96*, Subscription-Based Information Technology Arrangements.* This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The Clerk's adopted the requirements of the guidance effective October 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption. Implementation of this standard did not have an impact on the Clerk's financial statements.

NOTE 2 CASH

At September 30, 2023, the Clerk's bank balance was $1,262,373. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

Custodial Credit Risk is the risk that in the event of a bank failure the government's deposits may not be returned to it. The Clerk's monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the Clerk's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, and Florida Department of Financial Services. The law requires the Chief Financial Officer to ensure that funds are entirely collateralized throughout the fiscal year. Other than the preceding, the Clerk has no policy on custodial credit risk.

NOTE 2 CASH (CONTINUED)

Collateral is provided for demand deposits through the Florida Security for Public Deposits Act. This law establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under this law, the qualified public depository must pledge at least 25% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

Additional collateral, up to a maximum of 150%, may be required if deemed necessary under the conditions set forth in this law. Eligible collateral consists of obligations of the United States and its agencies and obligations of states and their local political subdivisions and unaffiliated corporations.

Obligations pledged to secure deposits must be delivered to the Department of Financial Services or, with the approval of the Chief Financial Officer, to a bank, savings association, or trust company provided a power of attorney is delivered to the Chief Financial Officer. On a monthly basis, the Chief Financial Officer determines that the collateral has a market value adequate to cover the deposits under the provisions of this law.

A reconciliation to amount shown on the balance sheet and statement of fiduciary net position is as follows:

Demand Deposits	$ 1,241,535
Petty Cash and Change Funds	525
	$ 1,242,060
Balance Sheet:	
Cash	$ 779,347
Statement of Fiduciary Net Position:	
Cash	462,713
Total Cash	$ 1,242,060

NOTE 3 CAPITAL ASSETS

The following is a summary of changes in capital assets for which the Clerk is custodian for the year ended September 30, 2023.

	Balance October 1, 2022	Additions	Disposals	Balance September 30, 2023
Software in Process	$ -	$ 10,867	$ -	$ 10,867
Machinery and Equipment	633,706	11,062	(10,840)	633,928
Less: Accumulated Depreciation	(522,808)	(28,217)	10,840	(540,185)
Total Capital Assets, Net	$ 110,898	$ (17,155)	$ -	$ 93,743

NOTE 4 PENSION PLANS

Background

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

Essentially all regular employees of the Clerk are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class – Members of the FRS who do not qualify for membership in the other classes.

Elected County Officers Class – Members who hold specified elective offices in local government.

Senior Management Service Class (SMSC) – Members in senior management level positions.

Special Risk Class – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

Eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 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.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Clerk employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

NOTE 4 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

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

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

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Clerk's contributions made to the plans during the years ended September 30, 2023, 2022, and 2021 were $171,395, $159,489, and $142,669, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County-wide financial statements.

NOTE 5 DUE FROM AND DUE TO OTHER FUNDS

The balances of due from and due to other funds were as follows at September 30, 2023:

	Due from Other Funds	Due to Other Funds
General Fund	$ 5	$ 92,265
Public Records Modernization Trust Fund	82,299	26,905
Child Support IV-D Fund	36,866	-
Total	$ 119,170	$ 119,170

Amounts due to and from other funds arise from timing differences as a result of transactions.

NOTE 6 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences for the year ended September 30, 2023:

	Balance October 1, 2022	Net Change	Balance September 30, 2023
Accrued Compensated Absences	$ 87,912	$ 9,702	$ 97,614

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Clerk's compensated absences policy.

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Hardee County Board of County Commissioners for the year ended September 30, 2023 were as follows:

Budget Appropriation – The General Fund of the Clerk received payments from the Board of County Commissioners for non-court related and accounting services in the amount of $781,300 for the year ended September 30, 2023. Excess revenues payable to the Board at September 30, 2023 were $97,463.

Health Insurance – The Board of County Commissioners provides health insurance to the Clerk employees. The reimbursement for these benefits for the fiscal year ended September 30, 2023 amounted to $278,721.

NOTE 8 RISK MANAGEMENT

The Clerk participates in the risk management program through the Board under a local government risk management pool. The following types of risk are provided for under the risk management pool:

- Property and General Liability
- Automobile Liability
- Public Officials' Liability
- Workers' Compensation

The risk pool assesses each member its pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments (premiums) do not produce sufficient funds to meet its obligations, the pool can make additional limited assessments. Losses, if any, in excess of the pool's ability to assess its members would revert back to the member that incurred the loss.

NOTE 9 COMMITMENTS AND CONTINGENCIES

The Clerk is currently receiving, and has received in the past, a grant which is subject to special compliance audits by the grantor agency and which may result in disallowed expenditure amounts. These amounts, if any, constitute a contingent liability of the Clerk. Accordingly, such liabilities are not reflected within the financial statements. Management does not believe the effects of contingent liabilities, if any, will be material to the financial statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF FIDUCIARY
NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Custodial Funds					
	Special Trust	Support	Court Registry	County Witness	Cash Bond	Total
ASSETS						
Cash	$ 377,158	$ 818	$ 38,601	$ 450	$ 45,686	$ 462,713
LIABILITIES						
Due to Individuals	23,870	-	-	13	3,675	27,558
Due to Other Governments	168,773	818	-	-	-	169,591
Total Liabilities	192,643	818	-	13	3,675	197,149
NET POSITION						
Restricted for Individuals, Organizations, and Other Governments	$ 184,515	$ -	$ 38,601	$ 437	$ 42,011	$ 265,564

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Custodial Funds					
	Special Trust	Support	Court Registry	County Witness	Cash Bond	Total
ADDITIONS						
Collections for Court Related Activities	$ 989,496	$ 11,207	$ 114,903	$ -	$ 131,942	$ 1,247,548
Taxes and Fees Collected for Other Governments	2,572,292	-	-	-	-	2,572,292
Collections from Individuals	160,414	-	-	-	-	160,414
Total Additions	3,722,202	11,207	114,903	-	131,942	3,980,254
DEDUCTIONS						
Payment of Court Related Funds	938,085	11,207	133,408	-	102,931	1,185,631
Payments to Other Governments	2,572,292	-	-	-	-	2,572,292
Payments to Individuals	177,413	-	-	-	-	177,413
Total Deductions	3,687,790	11,207	133,408	-	102,931	3,935,336
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	34,412	-	(18,505)	-	29,011	44,918
Fiduciary Net Position - Beginning of Year	150,103	-	57,106	437	13,000	220,646
FIDUCIARY NET POSITION - END OF YEAR	$ 184,515	$ -	$ 38,601	$ 437	$ 42,011	$ 265,564

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

The Honorable Victoria L. Rogers
Hardee County Clerk of the Circuit Court
Hardee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund, and the aggregate remaining fund information of the Hardee County Clerk of the Circuit Court (the Clerk), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated June 5, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.*

Hardee County Clerk of the Circuit Court's *Response to Finding*

Government Auditing Standards requires the auditor to perform limited procedures on the Clerk's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The Clerk's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
June 5, 2024

MANAGEMENT LETTER

The Honorable Victoria L. Rogers
Hardee County Clerk of the Circuit Court
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hardee County Clerk of the Circuit Court (Clerk) as of and for the fiscal year ended September 30, 2023 and have issued our report thereon dated June 5, 2024.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and the Independent Accountants' 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, which are dated June 5, 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 annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

Financial Management

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

Additional Matters

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

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 Clerk of the Circuit Court, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

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Sebring, Florida
June 5, 2024

2023-001 – Material Adjustment

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: A material error was detected in the Clerk's account balances during our audit. As a result, a material adjustment was proposed to correct the account balances.

Criteria or Specific Requirement: Management is responsible for establishing and maintaining internal control over recording of the Clerk's transactions to ensure balances are reported in accordance with GAAP.

Effect: Deferred inflows of resources – unavailable revenue was understated and intergovernmental revenue was overstated.

Cause: Intergovernmental revenue is usually received within the period of availability for revenue recognition. In the current year, there was delay at the state level in distributing funds to the local governments. The amounts were not received within the period of availably and therefore should not have been recognized as revenue in the current year.

Repeat Finding: No

Recommendation: The year end closing process should include procedures to review amounts recorded in receivables to ensure the subsequent receipts are received within the 60 day period of availability for revenue recognition.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the recommendation and has added to the year-end procedures to review receivables at the 60 day mark to reclass to deferred inflows if not received.

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INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Victoria L. Rogers
Hardee County Clerk of the Circuit Court
Hardee County, Florida

We have examined the Hardee County Clerk of the Circuit Court's (Clerk) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds; Section 61.181, Florida Statutes, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, Florida Statutes, regarding clerks of the courts performance standards and budgets, during the year ended September 30, 2023. Management of the Clerk is responsible for the Clerk's compliance with the specified requirements. Our responsibility is to express an opinion on the Clerk'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 Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds; Section 61.181, Florida Statutes, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, Florida Statutes, regarding clerks of the courts performance standards and budgets during year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
June 5, 2024

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