Lee County, Florida

Financial Reports

For The

Fiscal Year Ended September 30, 2023



Prepared By:

General Accounting Office, Finance & Records Department

Clerk to Board of County Commissioners

Kevin C. Karnes

Lee County, Florida

FINANCIAL REPORTS

As of September 30, 2023

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April 3, 2024

Ms. Sherrill F. Norman, Auditor General
Florida Auditor General's Office
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Ms. Norman,

We are pleased to submit a copy of the Lee County, Florida *Annual Comprehensive Financial Report* for the fiscal year ended September 30, 2023, in addition to an electronic version.

The County's Annual Comprehensive Financial Report and the Financial Assistance Report were presented to the Board of County Commissioners for acceptance on April 16, 2024. The Management Letter, Independent Auditors' Report, and the Single Audit Independent Auditor's Report were received on March 26, 2024.

Sincerely,

Michele Crowell

Michele Crowell, CPA
Assistant Finance Director

MC/CJH

Annual
COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2023



www.LeeClerk.org

Lee County
Southwest Florida

Lee County, Florida

Annual Comprehensive Financial Report

For the
Fiscal Year Ended September 30, 2023

Lee County
Southwest Florida

Prepared by:
General Accounting Office, Finance Department

Clerk to Board of County Commissioners

Kevin C. Karnes

Lee County, Florida

PRINCIPAL OFFICIALS

As of September 30, 2023

Elected Officials

Board of County Commissioners, Port Commissioners:

Commissioner, District 1	Kevin Ruane
Commissioner, District 2	Cecil Pendergrass
Commissioner, District 3	Ray Sandelli
Commissioner, District 4	Brian Hamman * **
Commissioner, District 5	Mike Greenwell

Appointed Officials

County Manager	Dave Harner II
County Attorney	Richard Wm. Wesch
Executive Director, Port Authority	Ben Siegel
Hearing Examiner(s)	Donna Marie Collins Amanda L. Rivera

* Chairman for Board of County Commissioners
** Chairman for Board of Port Commissioners

Lee County, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
September 30, 2023
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INTRODUCTORY
Section



March 18, 2024

To the Citizens of Lee County:

We are pleased to present to you the accompanying Annual Comprehensive Financial Report of Lee County (the County) for the fiscal year ended September 30, 2023. State law requires that a complete set of financial statements, presented in conformance with generally accepted accounting principles (GAAP), audited by licensed independent certified public accountants be released to the public within nine months of the fiscal year end. This report is being issued in fulfillment of these statutory requirements.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of Circuit Court as Chief Financial Officer of the County. We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the County, and that all disclosures necessary to enable the reader to obtain a comprehensive understanding of the County's financial activity have been included.

Internal Controls

The County has established a comprehensive internal control framework that is designed to provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and ensure that the financial records for preparing financial statements and maintaining accountability for assets are reliable. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the County's internal controls adequately safeguard assets and provide reasonable assurance of properly recorded financial transactions.

Independent Audit

In compliance with the laws of the State of Florida the County's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed independent certified public accountants. The audit was performed to provide reasonable assurance that the financial statements for the fiscal year ended September 30, 2023, are free of material misstatement. The audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements; evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management; as well as evaluating the overall financial statement presentation. The independent auditor issued an unmodified opinion on the County's financial statements for the fiscal year ended September 30, 2023. The Independent Auditors' Report is presented in the Financial Section of this report. Governmental accounting and auditing principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The Management's Discussion & Analysis (pages 16-26) can be found in the Financial Section immediately following the Independent Auditors' Report and should be read in conjunction with this transmittal letter.

County Structure and Services



Lee County was founded in 1887 and named in honor of General Robert E. Lee. The County is located on the Gulf of Mexico in the southwestern portion of Florida and encompasses approximately 811 square miles, including several small islands in the Gulf of Mexico. Lee County is the most populous of the five counties that make-up Southwest Florida. The incorporated cities, towns, and villages include: Fort Myers (County Seat), Cape Coral, Estero, Bonita Springs, Fort Myers Beach, and Sanibel. The Town of Fort Myers Beach is located on Estero Island and the City of Sanibel is situated on Sanibel Island. The unincorporated communities include Lehigh Acres, North Fort Myers, Tice, Alva, Matlacha, Pine Island, and Captiva Island. Lee County's climate can be classified as subtropical with temperatures averaging 53 degrees low to 74 degrees high (Fahrenheit) in January and 75 degrees low to 91 degrees high (Fahrenheit) in August.

Lee County is home to one of the fastest-growing populations in the nation and that trend looks to continue. With approximately 27.0 percent of its residents age 65 and older, the County is well known as a retirement destination. Lee County's population grew by approximately 23.0 percent between 2010 and 2020, and is projected to have a population of over 900,000 by 2030 and over 1,000,000 by 2040. The Bureau of Economic and Business Research projects a 30.9 percent increase in Lee County's 25 to 54 age group by 2040. The estimated population in 2023 is 800,989.

County Services and Reporting Entity

The County provides its citizens with a wide range of services that include law enforcement, human and community assistance-related services, civil and criminal justice system services, road and bridge maintenance, park operation, library services, economic and physical environment, as well as other general and administrative support services. In addition, airport facilities, transit system, water and wastewater system, toll bridge facilities, and a waste-to-energy facility are provided under an enterprise concept with user charges set by the Board of County Commissioners.

The Board of County Commissioners (the Board) is the legislative body for the County, having the responsibility of budgeting and providing all the funding used by the various County departments and the separate Constitutional Officers, with the exception of fees collected by the Clerk of Circuit Court, Property Appraiser, and Tax Collector. Under the direction of the Clerk of Circuit Court, the Finance Department maintains the accounting system for the Board's operations. The other Constitutional Officers maintain their own accounting systems. For purposes of this report the operations of the County as a whole, including all Constitutional Officers, have been presented. In addition to the divisions of the Board and the Constitutional Officers, the Lee County Port Authority, a blended component unit, is included in the Annual Comprehensive Financial Report.

Budgetary Controls

The adopted budget is controlled in accordance with Chapter 129, *Florida Statutes*, and a formal budget policy which is incorporated into the County's Administrative Code. The Assistant County Manager, on behalf of the County Manager, is responsible for the preparation of the Board's budget. The legally adopted total appropriation for a fund may only be changed by resolution of the Board. Full authority to transfer budgetary amounts other than these instances is delegated to the County Manager or the Assistant County Manager. When the Board adopts the program budget it is integrated into the reporting system for management reporting purposes. Budget-to-actual comparisons are provided in the report for each fund for which an appropriated annual budget has been adopted. Original and final budgets for major governmental funds are also provided. The Constitutional Officers' budget control is retained at the fund level; the budgets of the Property Appraiser and Tax Collector are approved by the Florida Department of Revenue and those of the Clerk of the Circuit Court (excluding fees and court-related budgets), Sheriff, and Supervisor of Elections are approved by the Board. The court-related portion of the Clerk of Circuit Court's budget is determined by the State of Florida's legislature.

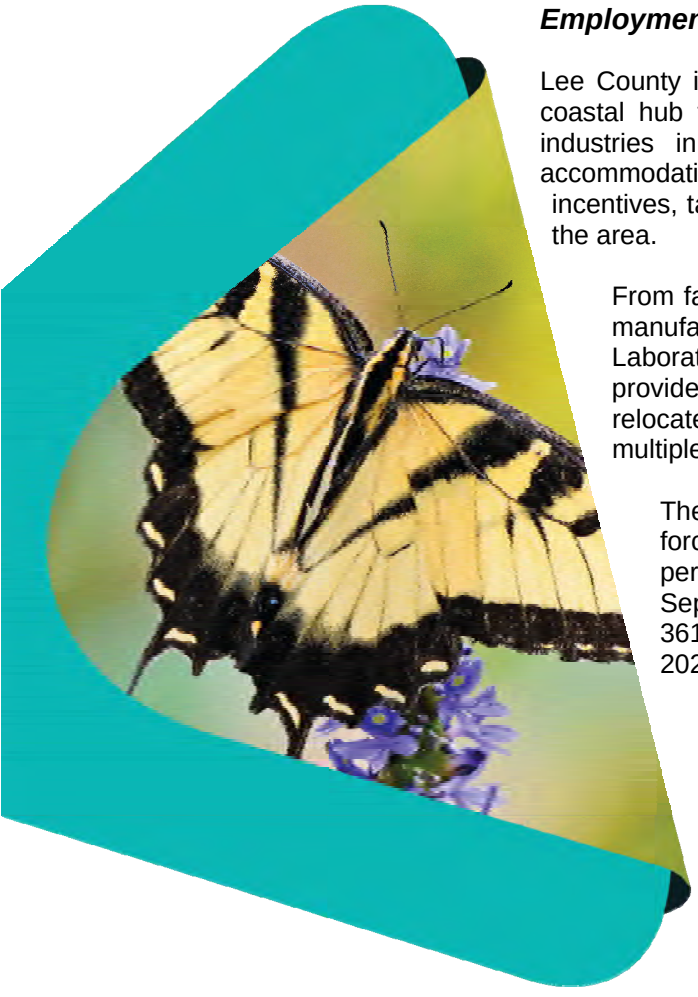
Financial Condition of the County

Local Economy

Lee County has long been a popular vacation and retirement spot with more than 50 miles of white sandy beaches that span from Gasparilla Island State Recreation Area to Barefoot Beach on Little Hickory Island. There are 18 miles of public parks on the beachfront and more than 100 public beach access points. Lee County contains more than 100 parks, beaches, wildlife refuges, including J.N. "Ding" Darling National Refuge on Sanibel Island; Lover's Key/Black Island State Park; Lakes Park; and Six Mile Cypress Slough. There are more than 100 golf courses in Lee County and the County ranks in the top ten in the nation for hole-per-person ratio. Each year, thousands of fans flock to Lee County to watch spring training for the Boston Red Sox and Minnesota Twins. Although Lee County experiences year-round tourism, the number of tourist's increases in winter as does the retiree population. The region also has a long history of attracting innovators, including the families of Henry Ford and Thomas Edison.

In Lee County, tourism employs one out of every five people. Due to Hurricane Ian, tourism metrics are down as the recovery process remains ongoing. Lee County received approximately 2.8 million visitors in fiscal year 2023 that generated $2.9 billion in economic impact. The Lee County Visitor and Convention Bureau reported tourist tax collections of $36.7 million in fiscal year 2023, down 45.1 percent from fiscal year 2022. The tourism figures provided by Lee County's Visitor and Convention Bureau for fiscal year 2023 showed that the number of visitors decreased 44.4 percent and spending by visitor's decreased 33.9 percent year over year. Passenger traffic at Southwest Florida International Airport ("SWFIA") reflected an 18.1 percent decrease from the previous fiscal year. Southwest Florida International Airport served approximately 9.4 million passengers in fiscal year 2023.

With no personal income tax, Florida consistently ranks as one of the best places to do business, and Lee County businesses benefit from Florida's state tax structure. Florida's tax code is the fourth most competitive in the country according to a study released last year by the nonprofit group Tax Foundation. Lee County was ranked the ninth fastest-growing County in the country, according to data released by the U.S Census Bureau. Lee County is home to several colleges, universities, and technical-vocational schools that provide a stream of talented workforce. Lee County is also home to a nationally recognized public school system.



Employment

Lee County is home to approximately 50,000 businesses and has become a coastal hub for business growth and talented workers. In 2023 the leading industries in Lee County were retail, health care and social services, accommodations and food services, and construction. With the region's business incentives, tax structure, and quality of life, more companies have relocated to the area.

From fashion icon Chico's, IT consulting and research company Gartner, manufacturing company Entertainment Metals, NeoGenomics Laboratories, Scotlynn, Hertz Global Holdings, and cancer care service provider 21st Century Oncology to a handful of companies that have relocated to the region over the last several years, companies across multiple sectors have chosen Lee County.

The County continues to see steady job growth and an increase in labor force. The Florida Department of Economic Opportunity projects a 10.0 percent increase in Lee County jobs by 2030. The labor force at September 30, 2023, 2022, and 2021 was 396,900; 373,500; and 361,206, respectively. Employment in the County as of September 30, 2023, is estimated at 363,900.

The unemployment rate increased from 2.6 percent in 2022 to 3.2 percent in 2023. The County's unemployment level is above Florida's rate of 2.8 percent and below the national rate of 3.8 percent.

According to the United States Department of Labor, Bureau of Labor Statistics, the non-agricultural employment for the Lee

County Metropolitan Area was comprised of 18.9 percent in Trade, Transportation and Utilities, 15.2 percent in Government (Federal, State and Local), 13.7 percent in Leisure and Hospitality, 15.4 percent in Professional and Business Services, 12.0 percent in Education and Health Services, 14.8 percent in Mining, Logging, Construction and Manufacturing, and 10.0 percent in all other.

Economic Conditions

The mainstays of the County's economy are tourism and retirement, and their associated services, such as health, trade, and other service-orientated industries. The County also has real estate development, agribusiness, high-tech manufacturing, corporate and regional headquarters, warehousing and distribution, and financial service industries.

Overall, Lee County's housing market continues to be strong but has slowed down compared to the frenzied pace experienced the last couple of years. Foreclosures filed in the County increased, from 588 in fiscal year 2022 to 651 in fiscal year 2023 which represents a 10.7 percent increase from prior year. The housing market saw a slight decrease in median sales price and an increase in new pending sales compared to the same period a year ago. According to Florida Realtors, the median sale price of an existing single-family home in Lee County decreased 3.6 percent, from $415,000 in September 2022 to $400,000 in September 2023. New pending sales increased by 10.4 percent and closed sales increased 21.1 percent, year over year. The median sale price for existing townhouses and condominiums increased 2.8 percent from $320,000 in September 2022 to $329,000 in September 2023. Townhouse and condo new pending sales increased 14.4 percent and closed sales increased 13.7 percent, year over year.

Current and Long-Term Capital Initiatives

The County's Capital Improvement Program (CIP) consists of capital projects which reflect the County's infrastructure needs over a five-year time frame and include assets with long-term value such as buildings, roads, bridges, and parks.

Significant capital projects and other initiatives completed in fiscal year 2023 include (total cost in millions):

$5.5 Summerlin Road force main replacement
$13.1 Fiesta Village reuse main upgrade
$76.6 Widening of Burnt Store Road from Pine Island Road to Van Buren Parkway
$80.7 Design and construction of the new Air Traffic Control Tower at SWFIA (the tower was turned over to the FAA)

Significant projects currently in progress include the following (projected cost in millions):

Southwest Florida International Airport (SWFIA)

$11.0 Design of rental car relocation facilities
$20.0 Rehabilitate roadways
$20.0 RSW public safety building
$39.0 South quad hangars and ramp design and construction
$258.9 Parallel runway site preparation to include design of a 9,100 foot parallel runway, storm drainage system, environmental permitting and mitigation design
$331.6 Design of the terminal expansion project to include consolidation of security checkpoints and increasing concession areas
$623.0 Phase 2 terminal expansion – Concourse E Gates

Transit

$6.1 Design and construction of the Lehigh Acres Park and Ride Transfer Center
$7.9 South County Park and Ride Transfer Station
$11.0 Passenger amenities project

Water and Wastewater

$7.0 Metro Parkway utility relocation
$12.0 RSW transmission main-Ben Hill to Treeline
$12.5 Long-term LS recovery and hardening
$15.2 Fort Myers Beach Water Reclamation Facility deep injection well

$16.0 Relocate potable, reuse, force main, and raw transmission lines for Corkscrew Road widening
$16.0 Green Meadows deep injection well
$22.6 Fiesta Village Water Reclamation Facility deep injection well
$34.1 SE wellfield expansion
$47.0 North Lee County Wellfield expansion
$51.5 Three Oaks Water Reclamation Facility expansion
$60.0 North Lee County Water Treatment Plant expansion
$84.7 Gateway Water Treatment Plant expansion
$157.7 SE Water Reclamation Facility

Solid Waste
$5.6 Ash sideslope closure
$7.0 Material recovery facility life extension project
$15.3 Landfill expansion class I
$31.0 Waste to energy life extension project
$56.7 Construction of new Material Recovery Facility



Transportation
$18.2 Widening of Littleton Road
$57.7 Widening of Ortiz Road from Colonial Boulevard to State Road 82
$58.5 Widening of Corkscrew Road from Ben Hill to Alico Road
$104.0 Replacement of the Big Carlos Pass Bridge
$112.0 Hickory Bride replacement
$154.0 Extension of Three Oaks North to Daniels Parkway
$231.0 Extension of Alico Road to State Road 82
$244.0 Cape Coral Bridge replacement
$295.0 Midpoint Bridge replacement

Culture and Recreation
$8.4 Able Canal Greenway
$8.7 Causeway Islands erosion control/stabilization
$11.4 South County Regional Library renovation
$12.5 Larry Kiker Preserve
$17.4 Expansion of Lehigh Community Park

Natural Resources
$7.1 San Carlos Park drainage improvements
$7.9 Captiva Island beach renourishment
$9.7 Natural Resources Lab Relocation
$11.9 Lovers Key Beach 2 renourishment
$18.7 Hurricane Ian waterway debris removal

Public Safety
$9.1 Emergency generators for shelters
$55.2 Emergency Operations Center expansion

Facilities
$7.1 East Lee County Government Center
$25.8 Medical Examiner expansion
$29.3 Justice Center repipe

Cash Management and Investments

The cash needs of the County are monitored daily and cash that is temporarily idle during the year is invested in accordance with the County's investment policy. The primary objective of the investment policy is the preservation of capital and the protection of investment principal. The investment portfolio as of September 30, 2023 was $1,943,257,000.

Investments during the year were:

- Treasury bills and notes and government agencies and instrumentalities whose investments consist primarily of municipals and U.S. government obligations. At fiscal year-end the maturities of the investments ranged from six months to three years and five months and interest earned ranged from .30 percent to 2.00 percent.
- The County participates in the State Board of Administration's ("SBA") Florida Local Government Surplus Trust Fund Investment Pool (Florida PRIME). The average yield for the pool for the fiscal year was 4.81 percent.
- The County also participates in three additional investment pools. The average yield for the Florida Cooperative Liquid Assets Securities System (FLCLASS) was 4.75 percent, the Florida Fixed Income Trust (FLFIT) was 4.70 percent, and the Florida Surplus Asset Fund Trust (FLSAFE) was 4.66 percent.

The County earned a total of $132.8 million in interest earnings over the last five years, of which $61.5 million was earned in fiscal year 2023. Interest earnings increased in fiscal year 2023 as a result of higher rates.

Risk Management

The Board maintains self-insurance programs to administer insurance activities related to property and casualty, county-wide employee health and dental programs, general liability, and worker's compensation. The concept of the self-insurance programs is to allow the County to absorb losses up to a specific annual amount. Excess and other specific coverages are purchased from third-party carriers.

Funding for these programs is generated by charges to the operating departments based on management's annual estimates of claim loss funding and administration/operating costs. The Lee County Sheriff's Office does not participate in the County's insurance programs and maintains a separate self-insurance fund for their employee health and dental coverage. The Port Authority does not participate in the property and casualty self-insurance program.

Awards and Acknowledgments

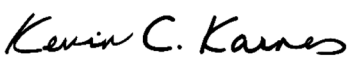
Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. This was the 38th consecutive year that the County has received this prestigious award. To be awarded a Certificate of Achievement, the County had to publish an easily readable and efficiently organized Annual Comprehensive Financial Report which satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department and the various managers and fiscal officers of the County Departments. The efforts of Finance's General Accounting staff, specifically, Tracy Schatzman, Rose Hardt, Shelby Smith, Stephanie Mulhall, Brian Cole, Kim Tester, Cody Hall, Brandi Marchese, Renukaa Bocio, and Rebecca Lampley are especially noteworthy.

Respectfully submitted,



Kevin C. Karnes
Clerk of the Court & Comptroller



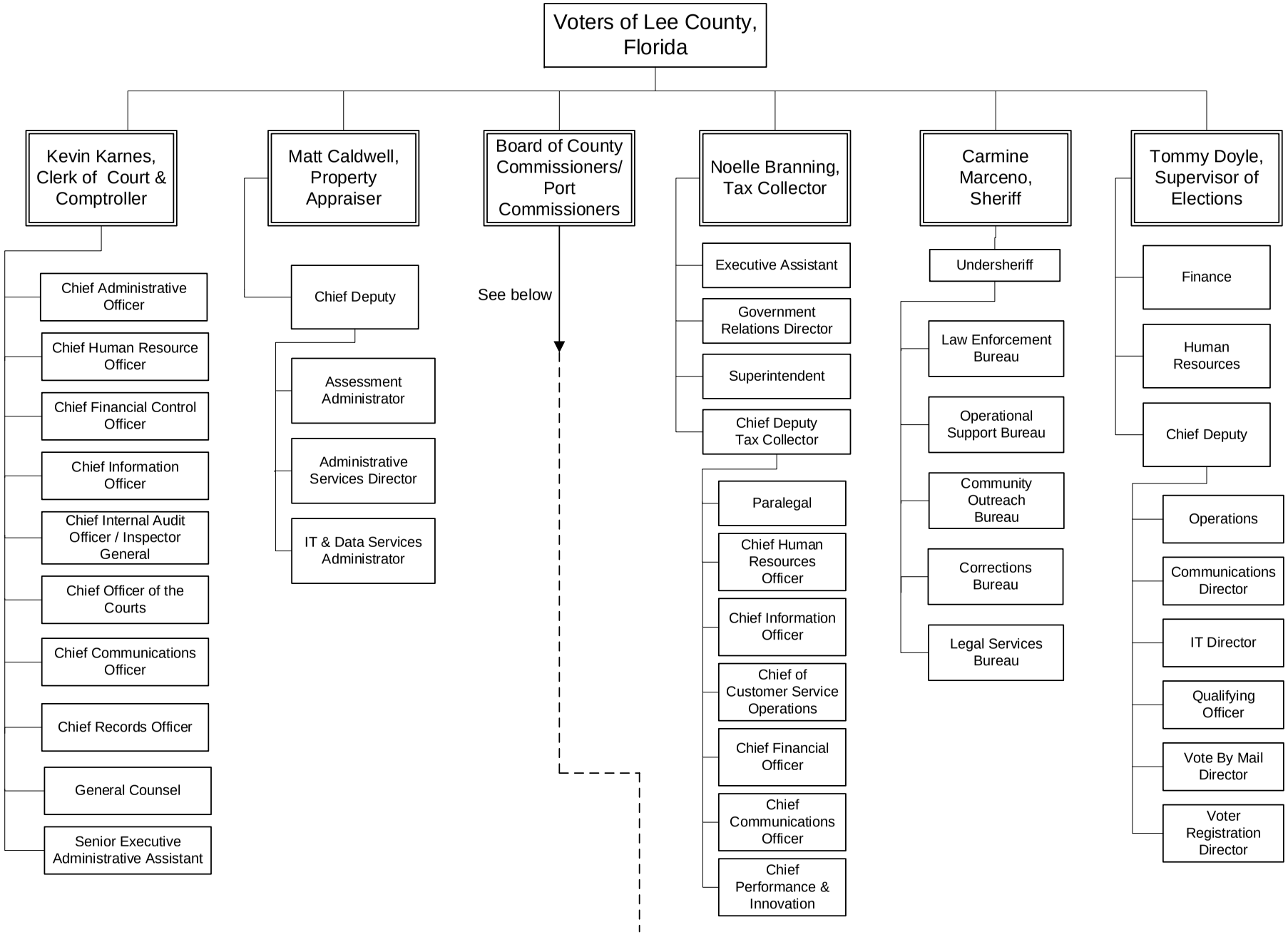
Terry Mallow, CPA
Chief Financial Control Officer

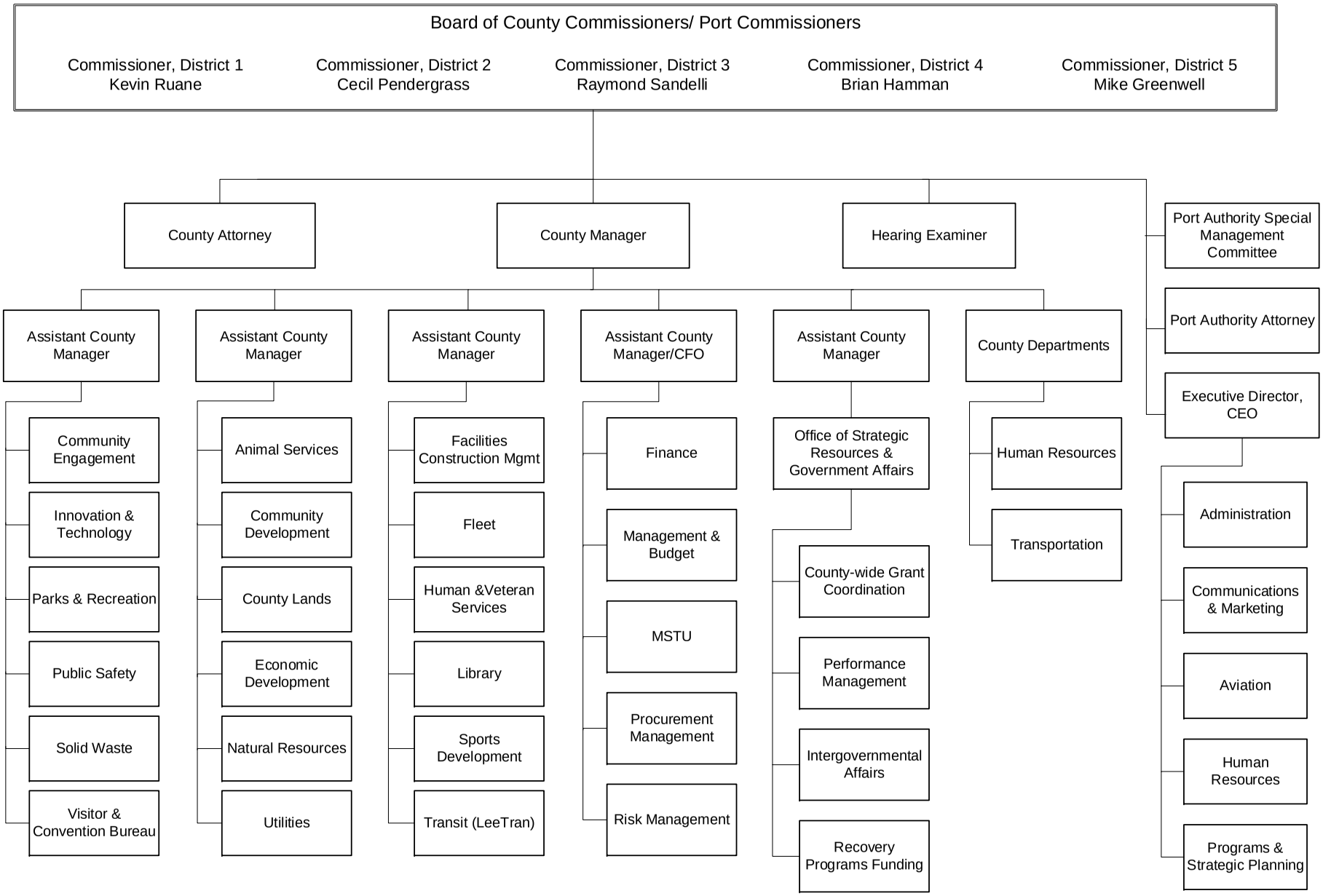


Michele Crowell, CPA
Assistant Finance Director

Lee County Government

as of September 30, 2023




Board of County Commissioners/ Port Commissioners
Commissioner, District 1
Kevin Ruane
Commissioner, District 2
Cecil Pendergrass
Commissioner, District 3
Raymond Sandelli
Commissioner, District 4
Brian Hamman
Commissioner, District 5
Mike Greenwell
County Attorney
County Manager
Hearing Examiner
Port Authority Special Management Committee
Port Authority Attorney
Executive Director, CEO
Assistant County Manager
Assistant County Manager
Assistant County Manager
Assistant County Manager/CFO
Assistant County Manager
County Departments
Community Engagement
Innovation & Technology
Parks & Recreation
Public Safety
Solid Waste
Visitor & Convention Bureau
Animal Services
Community Development
County Lands
Economic Development
Natural Resources
Utilities
Facilities Construction Mgmt
Fleet
Human &Veteran Services
Library
Sports Development
Transit (LeeTran)
Finance
Management & Budget
MSTU
Procurement Management
Risk Management
Office of Strategic Resources & Government Affairs
County-wide Grant Coordination
Performance Management
Intergovernmental Affairs
Recovery Programs Funding
Human Resources
Transportation
Administration
Communications & Marketing
Aviation
Human Resources
Programs & Strategic Planning

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Lee
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

FINANCIAL *Section*



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Honorable Board of County Commissioners
Lee 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, each major fund, and the aggregate remaining fund information of Lee County, Florida (the County), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, 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 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 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 Matter

As discussed in Note IX to the financial statements, effective October 1, 2022 the County adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard requires governments to recognize a right-to-use subscription-based information technology arrangement asset and corresponding subscription-based information technology arrangement liability for all arrangements with terms greater than twelve months. 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.

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, the schedule of total other postemployment benefit liability, and schedules of the County's proportionate share of the net pension liability and of its contributions, 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 statements and schedules 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 and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

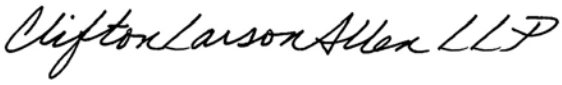
Management is responsible for the other information included in the annual report. The other information comprises the introductory section, the statistical section, and the other information but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic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

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

Honorable Board of County Commissioners
Lee County, Florida

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 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

Fort Myers, Florida
March 18, 2024

Management's Discussion and Analysis
(Unaudited)

This discussion and analysis of Lee County's (the County) financial statements is designed to introduce the basic financial statements and provide an analytical overview of the County's financial activities for the fiscal year ended September 30, 2023. The basic financial statements are comprised of the government-wide financial statements, fund financial statements, and footnotes to the financial statements. We hope this will assist readers in identifying significant financial issues and changes in the County's financial position.

Financial Highlights

- At the close of fiscal year 2023, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources, resulting in total net position of $3,311,552,000.
- The County's total net position decreased $8,068,000, or -0.2 percent, in comparison to prior year.
- The County's governmental activities total net position of $1,669,219,000 increased $93,712,000, or 5.9 percent, in comparison to prior year. The unrestricted net position is a deficit balance of $573,236,000.
- The County's business-type activities total net position of $1,642,333,000 decreased $101,780,000, or -5.8 percent, in comparison to prior year. Approximately 1.0 percent of the total, or $17,007,000 is unrestricted, and thus available for spending at the County's discretion.
- The County reported a liability of $641,899,000 for its proportionate share of the FRS and HIS net pension liabilities.
- The County reported a total other postemployment benefits liability of $511,869,000.
- Total revenues increased $298,689,000, or 19.5 percent, in comparison to prior year.
- Total expenses increased $397,764,000, or 29.1 percent, in comparison to prior year.

Government-wide Financial Statements

The government-wide financial statements (statement of net position and statement of activities found on pages 28-30) concentrate on the County as a whole and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. The governmental and business-type activities comprise the primary government. Fiduciary funds are not included in the government-wide financial statements.

General governmental and intergovernmental revenues support the governmental activities, whereas the business-type activities are primarily supported by user fees and charges for services. The purpose of the government-wide financial statements is to allow the user to be able to analyze the County's total financial position.

The statement of activities reflects the expenses of a given function or program, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function or program. Taxes are reported under general revenue. The County maintains an allocation program for indirect expenses and, therefore, reports this allocation in a separate column on the government-wide statement of activities.

The effect of the inter-fund activity has been removed from the government-wide financial statements. However, the inter-fund services between functions are not eliminated. The internal service fund activity has been eliminated except for the outside activity on the government-wide financial statements.

Fund Financial Statements

The accounts of the County 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 or net position, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in

individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The County's funds are presented in separate fund financial statements. These funds are presented on a governmental fund financial statement and a proprietary fund financial statement. The County's major funds are presented in separate columns on the fund financial statements. The definition of a major fund is one that meets certain criteria set-forth in Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* ("GASB 34"). The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements. However, a non-major fund can be designated as a major fund if the County chooses to do so.

Annual budgets are adopted for all funds except custodial funds and the Sheriff's internal service and special revenue funds. A budgetary comparison has been presented for the General Fund, which compares not only actual results to budget but also the original adopted budget to final budget.

Governmental Fund Financial Statements

Governmental fund financial statements (found on pages 31-35) are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. Although the activity of the internal service funds is reported with the governmental activities on the government-wide financial statements, they are not combined on the government fund financial statements.

Two of the County's governmental funds, the General Fund and the Transportation Capital Improvements Fund are classified as major funds. All other governmental funds are combined into a single column on the governmental fund financial statements. Individual fund data for the non-major funds are found in combining statements as supplemental financial data.

Proprietary Fund Financial Statements

Proprietary fund financial statements (found on pages 36-42), like government-wide financial statements, are prepared on the full accrual basis. Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund.

The County reports the Port Authority, Water and Wastewater, Transportation Facilities, and Solid Waste as major funds in the proprietary fund financial statements. These enterprise funds are used to present the same functions that are presented in the government-wide financial statements. The only non-major fund, Transit, is reported in a separate column. The internal service funds are presented in their entirety combined in a single column on the proprietary fund financial statements.

The internal service funds are used to account for data processing, risk management, radio communications, telecommunications, fleet management, and self-insurance for health and dental, and workers' compensation services on a cost reimbursement basis. Individual fund data is in the combining statements as supplemental financial data.

Fiduciary Fund Financial Statements

The fiduciary fund financial statements (found on pages 43-44) are not included in the government-wide financial statements because the resources of those funds are not available to support the County's programs.

Government-Wide Financial Analysis

The government-wide financial statements were designed so that the user could determine if the County is in a better or worse financial condition from the prior year. The following is a condensed summary of net position for the primary government for fiscal years 2023 and 2022.

Summary of Net Position
September 30, 2023 and 2022
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
Current and other assets	$1,342,577	$1,276,782	$837,687	$1,063,404	$2,180,264	$2,340,186
Capital assets	1,990,407	1,946,106	2,037,307	1,936,309	4,027,714	3,882,415
Total assets	3,332,984	3,222,888	2,874,994	2,999,713	6,207,978	6,222,601
Total deferred outflows of resources	271,041	233,673	49,493	47,439	320,534	281,112
Current liabilities	195,179	234,153	126,805	111,984	321,984	346,137
Non-current liabilities	1,319,514	1,270,258	979,124	1,001,533	2,298,638	2,271,791
Total liabilities	1,514,693	1,504,411	1,105,929	1,113,517	2,620,622	2,617,928
Total deferred inflows of resources	420,113	376,643	176,225	189,522	596,338	566,165
Net Position:						
Net investment in capital assets	1,760,709	1,730,632	1,420,375	1,365,024	3,181,084	3,095,656
Restricted	481,746	416,848	204,951	207,146	686,697	623,994
Unrestricted (deficit)	(573,236)	(571,973)	17,007	171,943	(556,229)	(400,030)
Total net position	$1,669,219	$1,575,507	$1,642,333	$1,744,113	$3,311,552	$3,319,620

*Fiscal year 2022 balances are not restated for GASB 96. See Note IX for further detail.

Net investment in capital assets is the largest portion of the net position. This represents capital assets (land, buildings, improvements, machinery and equipment, infrastructure and right-to-use assets), net of accumulated depreciation and amortization and the outstanding related debt (less unspent proceeds) used to acquire the assets. The net investment in capital assets balance of $3,181,084,000 increased $85,428,000, or 2.8 percent, in comparison to prior year.

The restricted net position balance of $686,697,000 increased $62,703,000, or 10.0 percent, in comparison to prior year. This balance represents assets that are subject to external restrictions imposed by creditors, through bond covenants, by grantors, or by law on how they are used.

The unrestricted net position balance is a deficit balance of $556,229,000. The deficit balance increased $156,199,000 or 39.0 percent, in comparison to prior year.

The following schedule compares the revenues, expenses, and changes in net position for the primary government for the current and previous fiscal years.

Lee County, Florida
Summary of Revenues, Expenses, and Changes in Net Positions
For the Years Ended September 30, 2023 and 2022
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
Revenues:						
Program revenues:						
Charges for services	$151,723	$147,387	$449,268	$450,865	$600,991	$598,252
Operating grants and contributions	170,261	100,373	77,619	34,264	247,880	134,637
Capital grants and contributions	82,967	79,660	68,172	85,783	151,139	165,443
General revenues:						
Taxes	592,406	558,805	3,026	5,833	595,432	564,638
Grants and contributions not restricted to specific programs	111,962	104,269	-	-	111,962	104,269
Other	76,743	(23,295)	45,847	(12,639)	122,590	(35,934)
Total revenues	1,186,062	967,199	643,932	564,106	1,829,994	1,531,305
Expenses:						
Program activities:						
General government	410,646	335,640			410,646	335,640
Public safety	391,963	329,879			391,963	329,879
Physical environment	31,713	20,332			31,713	20,332
Transportation	85,119	73,428			85,119	73,428
Economic environment	39,670	37,356			39,670	37,356
Human services	32,301	27,301			32,301	27,301
Culture and recreation	99,031	90,651			99,031	90,651
Interest on long-term debt	11,403	7,554			11,403	7,554
Indirect expenses	(5,884)	(5,252)	5,884	5,252	-	-
Business-type activities:						
Airport			156,887	127,049	156,887	127,049
Water and Wastewater			157,682	142,682	157,682	142,682
Transit			39,235	30,984	39,235	30,984
Transportation Facilities			24,902	28,362	24,902	28,362
Solid Waste			282,785	114,355	282,785	114,355
Total expenses	1,095,962	916,889	667,375	448,684	1,763,337	1,365,573
Total change in net position before transfers	90,100	50,310	(23,443)	115,422	66,657	165,732
Special Item- Loss on discontinued project	-	-	(74,725)	-	(74,725)	-
Transfers	3,612	16,918	(3,612)	(16,918)	-	-
Change in net position	93,712	67,228	(101,780)	98,504	(8,068)	165,732
Net position October 1	1,575,507	1,508,279	1,744,113	1,645,609	3,319,620	3,153,888
Net position September 30	$1,669,219	$1,575,507	$1,642,333	$1,744,113	$3,311,552	$3,319,620

* Fiscal year 2022 columns are not restated for GASB 96. See Note IX for further detail.

Total revenues increased $298,689,000, or 19.5 percent, in comparison to prior year. Total expenses increased $397,764,000, or 29.1 percent, in comparison to prior year.

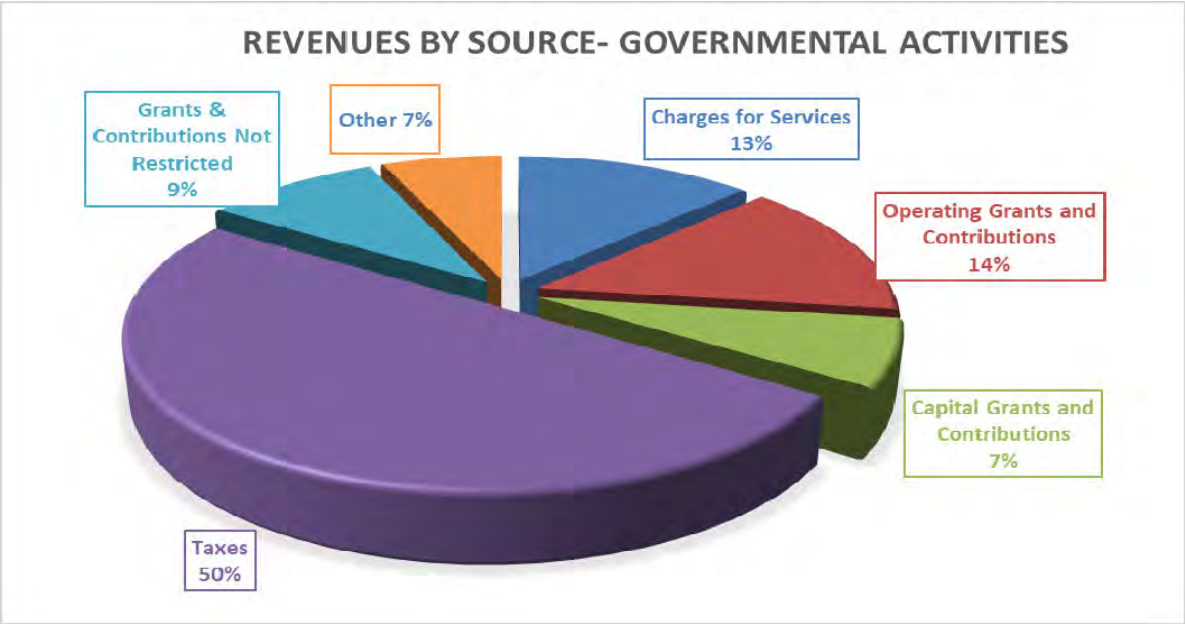
Governmental Activities

The governmental activities increased the County's total assets, total deferred outflows of resources, total liabilities, total deferred inflows of resources, and total net position by $110,096,000, $37,368,000, $10,282,000, $43,470,000, and $93,712,000, respectively. The increase in the governmental activities' net investment in capital assets is $30,077,000, or 1.7 percent, in comparison to prior year.

Total revenues for governmental activities increased $218,863,000, or 22.6 percent, in comparison to prior year. The main components of the change in total revenues for governmental activities were as follows:

- Operating grants and contributions increased $69,888,000, or 69.6 percent, in comparison to prior year primarily due to an increase of $48,274,000 in American Rescue Plan Coronavirus State and Local Fiscal Recovery Funds received, $13,881,000 in Hurricane Ian FEMA reimbursements, $8,377,000 In Hurricane Ian waterway debris removal funding, $15,461,000 in Hurricane Ian State Housing Initiatives Partnership Program (SHIP) grant funds, $4,000,000 in hazard mitigation grants, offset by a decrease of $24,975,000 due to emergency rental assistance grants received in the prior year.
- Taxes increased $33,601,000, or 6.0 percent, in comparison to prior year, due to an increase of $57,755,000 in Ad Valorem taxes collected as a result of an increase in the property value base, an increase of $3,231,000 in electric franchise fees, offset by a decrease of $30,132,000 in Tourist Tax revenue as a result of lower visitation over prior year due to the impact of Hurricane Ian.
- Other revenue increased $100,038,000, or 429.4 percent, in comparison to prior year primarily due to an increase of $80,036,000 in interest earnings and the change in fair value adjustment, and approximately $10,000,000 received in insurance reimbursements related to Hurricane Ian.

The following is a chart of revenue by source for governmental activities for fiscal years 2023:



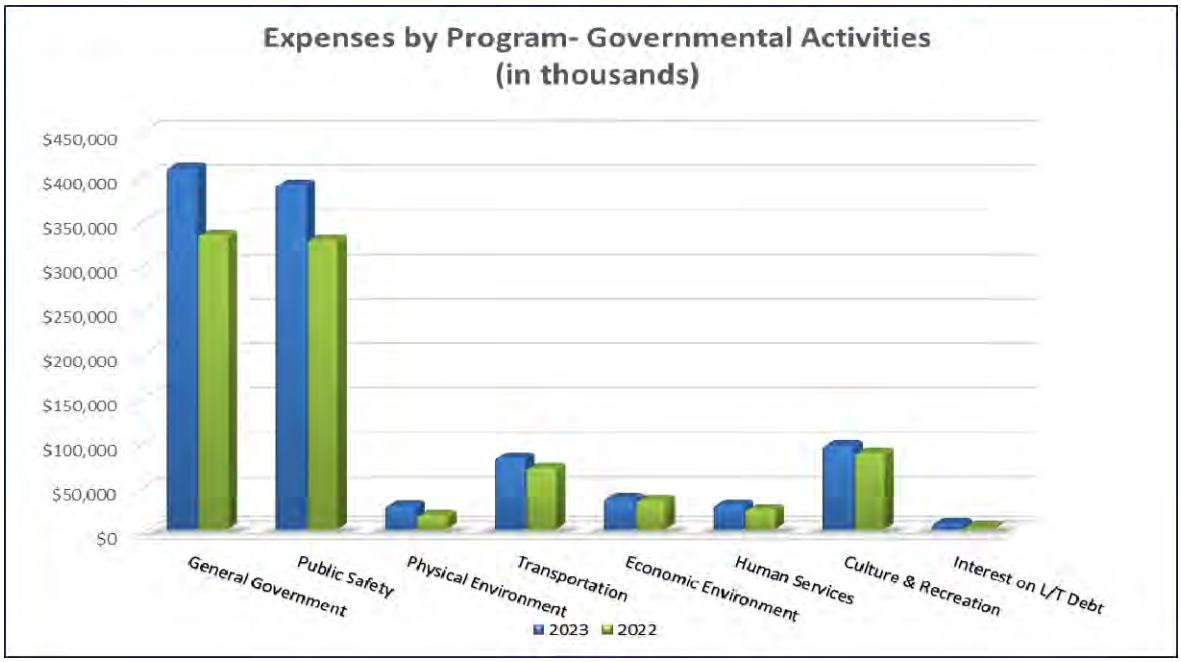
Total expenses for governmental activities increased $179,073,000, or 19.5 percent, in comparison to prior year. The main components of the change in total expenses for governmental activities were as follows:

- General government expenses increased by $75,006,000, or 22.3 percent, primarily due to an increase of $51,883,000 in pension expense, $37,585,000 in Hurricane Ian disaster expenses, $8,154,000 in American Rescue Plan Coronavirus expenses, $11,500,000 in constitutional officer expenses, $4,000,000 in county-wide building renovations, $3,698,000 in internal service expense, $3,566,000 in school impact fee payments, and $3,640,000 higher loss on asset disposals. The large increase was offset by a decrease of $31,012,000 in other postemployment benefit expense and $24,974,000 in emergency rental assistance programs.
- Public safety expenses increased by $62,084,000, or 18.8 percent, primarily due to an increase of $30,614,000 in Sheriff personal and operating costs as a result of a rise in overtime due to Hurricane Ian, a mid-year salary increase, a cost of living increase, higher FRS employer contribution rates, increase in operating costs due to a rise in inflationary trends and issuance of cell phones to all certified staff. County public safety expenses also increased $5,667,000 as a result of an increase in overtime and disaster pay related to Hurricane Ian, higher

FRS rates, and an increase in salaries. In addition, pension expense increased $9,441,000 over prior year and internal service expenses increased $6,984,000.

- Physical environment expenses increased $11,381,000, or 56.0 percent, primarily due to an increase in Hurricane Ian waterway debris removal expenses.
- Transportation expenses increased $11,691,000, or 15.9 percent, primarily due to an increase of $5,235,000 in landscaping costs for completed projects and road resurfacing and maintenance, and increase of $3,060,000 in pension expense, and an increase of $1,988,000 in disaster pay related to Hurricane Ian.

The following is a chart of expenses by program for governmental activities for fiscal years 2023 and 2022.



Business-Type Activities

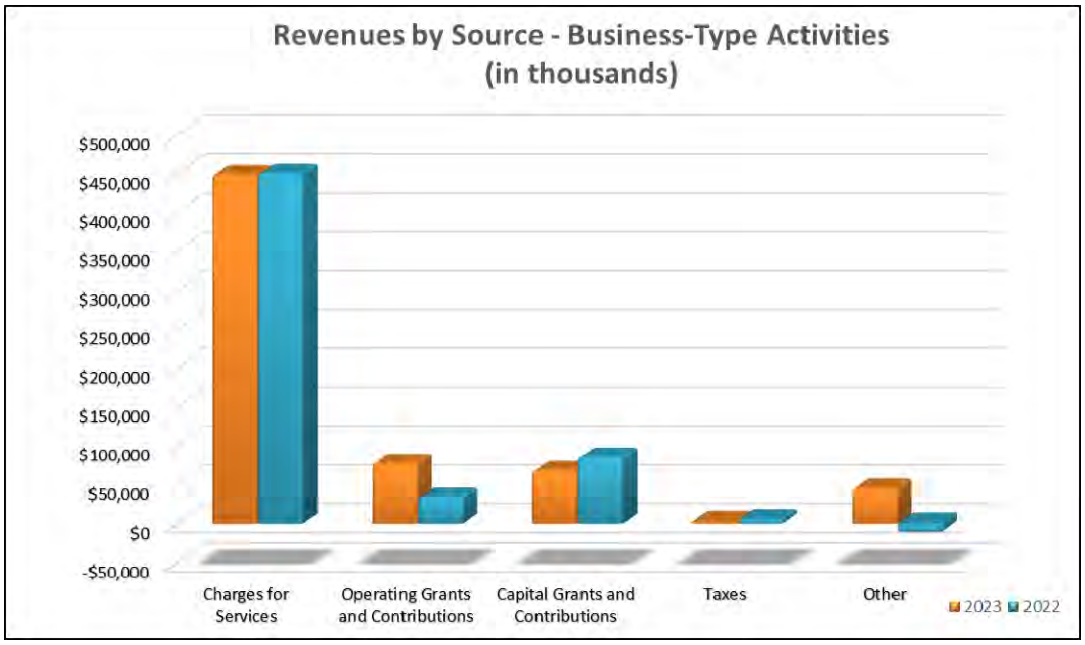
The business-type activities increased or (decreased) the County's total assets, total deferred outflows of resources, total liabilities, total deferred inflows of resources, and total net position by ($124,719,000), $2,054,000, ($7,588,000), ($13,297,000), and ($101,780,000), respectively. The increase in the business-type activities' net investment in capital assets is $55,351,000, or 4.1 percent, in comparison to prior year.

Total revenues reported in business-type activities increased $79,826,000, or 14.2 percent, in comparison to prior year. The increase is primarily due to an increase in operating grants and contributions of $43,355,000, or 126.5 percent and an increase in other revenue of $58,486,000, or 462.7 percent, offset by a decrease in capital grants and contributions of $17,611,000, or 20.5 percent.

- Port Authority operating grants and contributions increased $15,307,000, or 104.2 percent, due to more grant funds received for Coronavirus aid and relief in the current fiscal year.
- Solid Waste operating grants and contributions increased $32,800,000 due to Hurricane Ian FEMA reimbursements for debris removal.
- Transit operating grants and contributions decreased $7,783,000, or 39.8 percent due to less Coronavirus aid and relief and American Rescue Plan grant funding in the current year.
- Other revenue increased $58,486,000 or 462.7 percent, across all funds primarily due to higher interest earnings as a result of an increase in rates and the change in fair value adjustment.

- Port Authority capital grants and contributions decreased $22,020,000, or 55.0 percent, due to less grant funds received in the current year related to the terminal expansion project.
- Transit capital grants and contributions decreased $3,829,000, or 34.3 percent, due to capital grant funding received in the prior year for the Rosa Parks and Park and Ride transfer station projects.
- Water and Wastewater capital grants and contributions increased $8,149,000, or 23.6 percent, due to an increase in developer contributions in the current year.

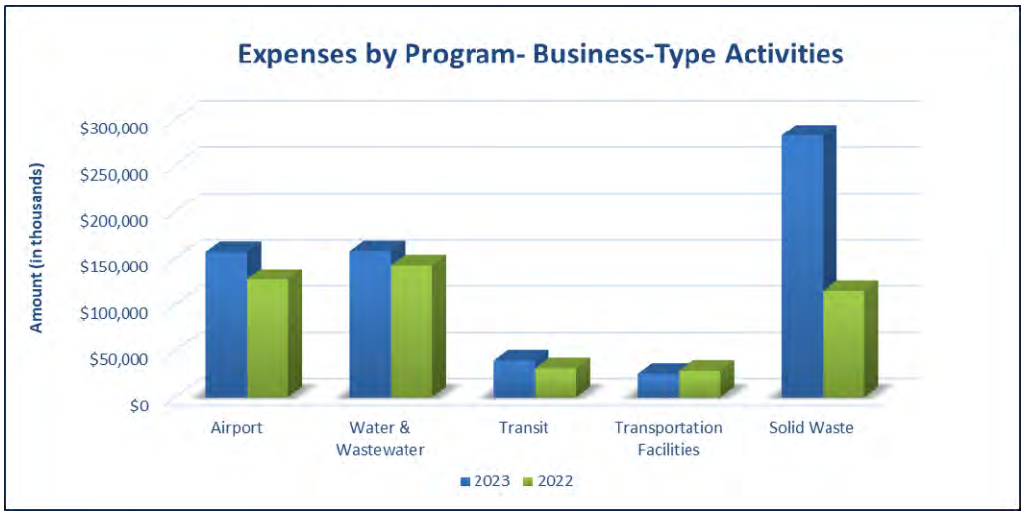
The following is a chart of revenues by source for business-type activities for fiscal years 2023 and 2022.



Total business-type expenses increased $218,691,000, or 48.7 percent, in comparison to prior year. The increase is primarily due to an increase in Airport expenses of $29,838,000 or 23.5 percent, an increase in Water and Wastewater expenses of $15,000,000, or 10.5 percent, and an increase in Solid Waste expenses of $168,430,000, or 147.3 percent.

- Airport expenses are higher in the current year as of a result of a $4,428,000 increase in salaries due to new full time positions, an $8,002,000 increase in pension and other postemployment benefit expense, a $9,092,000 increase in contractual services, materials, and supplies related to mitigation projects and Hurricane Ian expenses, and an increase of $1,201,000 in repairs and maintenance related to Hurricane Ian.
- Water and Wastewater expenses are higher in the current year as a result of a $13,253,000 increase in contractual services, materials, and supplies related to major maintenance projects, Hurricane Ian repairs, and the City of Fort Myers interlocal agreement expenses and an increase of $5,534,000 in pension and OPEB expense. Other expenses decreased $7,833,000 due to the Fort Myers Beach reclamation facility asset impairment loss in the prior year.
- Solid Waste expenses are higher in the current year primarily due to an increase of $164,749,000 in contractual services, material, and supplies related to Hurricane Ian debris removal and an increase in hauler contract rates.

The following is a chart of expenses by program for business-type activities for fiscal years 2023 and 2022.



Financial Analysis of the Government's Funds

Governmental Funds

Governmental funds are comprised of the General Fund, special revenue funds, debt service funds, and capital projects funds. As noted earlier, governmental funds use the current financial resources measurement focus that focuses on near-term inflows and outflows. The General Fund is the general operating fund that is used to account for all financial resources, except those required to be accounted for in another fund.

The following are noteworthy facts and changes from prior year for the General Fund and the Transportation Capital Improvements Fund, which are the only two governmental funds reported as major funds:

General Fund- Total revenues increased $111,128,000, or 18.6 percent. Taxes increased $47,265,000, or 12.5 percent, due to an increase of $44,034,000 in Ad Valorem taxes (as a result of higher assessed property values) and an increase of $3,231,000 in electric franchise fees. Intergovernmental revenue increased $41,592,000, or 26.3 percent, primarily due $48,274,000 in American Rescue Plan grant funding. Total expenditures increased $87,005,000, or 16.1 percent, due to an increase of $21,894,000 in general government expenditures related to Hurricane Ian and American Rescue Plan expenditures; $35,431,000 in public safety operating expenditures as a result of increased Sheriff personal and operating costs due to a rise in overtime related to Hurricane Ian, a mid-year salary increase, a cost of living increase, higher FRS employer contribution rates, increase in operating costs due to a rise in inflationary trends and issuance of cell phones to all certified staff; and physical environment expenditures increased $11,186,000 due to Hurricane Ian waterway debris removal costs. In addition, general government capital outlay expenditures increased $11,121,000 for costs related to the Big Carlos Pass Bridge construction project.

Transportation Capital Improvements Fund- Total revenues increased $16,334,000, or 94.6 percent. Taxes increased $2,613,000 and investment earnings increased $13,072,000, or 155.8 percent, due to an increase in interest earnings and the change in fair value adjustment. Total expenditures increased $13,148,000, or 39.3 percent, due to completion of the Sunshine Boulevard Roundabout, Gateway Roundabout, and Estero Road projects.

Proprietary Funds

Proprietary funds are comprised of enterprise funds and internal service funds. An enterprise fund is used to account for activities for which a fee is charged to external users for goods and services. Internal service funds are those that provide a service, primarily within the government, and charge a recovery fee.

The following are noteworthy facts and changes from prior year for proprietary major funds:

Port Authority - Net operating revenue decreased $2,793,000, or 2.2 percent, in comparison to prior year as a result of a decrease of $11,115,000 in concession revenue for credits issued to concessionaires using American Rescue Plan funds, offset by an increase of $3,244,000 in user fees due to increased airline activity, and a decrease of $5,215,000 in rebates. Total operating expenses increased $26,037,000, or 22.3 percent, in comparison to prior year as a result of an a $4,428,000 increase in salaries due to new full time positions; an $8,002,000 increase in pension and other postemployment benefit expense; an increase of $9,092,000 in contractual services, materials, and supplies related to mitigation projects and Hurricane Ian expenses; and an increase of $1,201,000 in repairs and maintenance related to Hurricane Ian. Investment earnings increased $16,872,000, or 375.5 percent, due to higher interest rates and an increase in the fair value adjustment. Operating grants were $15,252,000, or 103.8 percent higher due to more Coronavirus aid and relief funds received in the current year. Capital grants and contributions were $22,020,000, or 55.0 percent, lower due to grants received for the terminal expansion project in the prior year. The Port Authority reported a special item for a loss on a discontinued project in the amount of $74,725,000 as a result of the Port Authority designing and constructing the air traffic control tower and then transferring it to the FAA.

Water and Wastewater – Net operating revenue decreased $1,548,000, or 1.3 percent, in comparison to prior year. Operating expenses increased $15,296,000 or 11.0 percent, in comparison to prior year as a result a $13,253,000 increase in contractual services, materials, and supplies related to major maintenance projects, Hurricane Ian repairs, and the City of Fort Myers interlocal agreement and an increase of $5,534,000 in pension and OPEB expense. Other expenses decreased $7,833,000 due to the Fort Myers Beach reclamation facility asset impairment loss in the prior year. Investment earnings increased $21,009,000 or 198.6 percent, due to higher interest rates and an increase in the fair value adjustment. Capital contributions were $8,149,000, or 23.6 percent, higher compared to the prior year due to an increase in developer contributions.

Transportation Facilities – Net operating revenue decreased by $14,004,000, or 25.4 percent, in comparison to prior year due to a decrease in Sanibel tolls as a result of Hurricane Ian and a decrease in administration revenue. Total operating expenses decreased $2,468,000, or 9.9 percent, in comparison to prior year primarily due to a decrease in other expenses related to bad debt expense. Investment earnings increased $3,104,000, or 179.7 percent, due to higher interest rates and an increase in the fair value adjustment.

Solid Waste – Net operating revenue increased $20,126,000, or 15.7 percent, in comparison to prior year primarily due to an increase of $31,042,000, in user fees as result of increased growth and an increase in tonnage due to Hurricane Ian offset by a decrease of $11,271,000, in electric revenues as a result of a drop in market pricing. Total operating expenses increased $168,636,000, or 148.2 percent, in comparison to prior year primarily due to an increase of $164,749,000 in contractual services, material, and supplies related to Hurricane Ian debris removal and an increase in hauler contract rates. Investment earnings increased $15,402,000, or 248.3 percent, due to higher interest rates and an increase in the fair value adjustment. Grants were $33,373,000 higher due to FEMA reimbursements received related to Hurricane Ian debris removal.

General Fund Budgetary and Actual Highlights

The difference between the original adopted and final amended revenue and expenditures budget in the General Fund is an increase $47,516,000 and $73,839,000. The changes include:

- $27,004,000 increase for the Sheriff's Office personnel, operating, and capital expenditures.
- $18,597,000 for Federal Emergency Management Agency (FEMA) grant funding and related expenditures.
- $14,411,000 for Department of Agriculture waterway debris removal grant funding and related expenditures and in increase of $4,341,000 in county match expenditures.
- $4,717,000 increase for the Low Income Home Energy Assistance Program (LIHEAP) grant funding and related expenditures.
- $3,319,000 increase for West Coast Inland Navigation District (WCIND) pass through grant funding and related expenditures for navigation related major maintenance projects.

The remaining amendments are a combination of increases and decreases for various reasons which separately are not noteworthy.

The variance between the final amended budget and actual expenditure results for the General Fund is a favorable variance of $160,114,000. The differences are across multiple departments and are mainly due to unspent budget for American Rescue Plan funds, various multi-year operating and capital projects, and conservative spending. Project costs are budgeted in the year they are anticipated to be obligated. In subsequent years the unused budget is re-appropriated until the project is completed.

Capital Assets

Non-depreciable capital assets include land, construction in progress, software in progress, and artwork. Depreciable assets include buildings, improvements other than buildings, machinery and equipment, software, and infrastructure. Amortizable assets include intangible right-to-use buildings, machinery and equipment, infrastructure, and subscription based information technology arrangements (SBITA's).

Noteworthy capital asset purchases/completed projects that took place in fiscal year 2023 were as follows:

- Summerlin Road force main project
- Fiesta Village reuse main upgrade
- Widening of Burnt Store Road from Pine Island Road to Van Buren Parkway
- Design and construction of the new Air Traffic Control Tower at Southwest Florida International Airport (the tower was transferred to the FAA)

The following is a schedule of the County's capital assets as of September 30, 2023 and 2022.

Lee County, Florida
Summary of Capital Assets
September 30, 2023 and 2022
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
Artwork	$320	$323	$293	$293	$613	$616
Land, easements, and rights of way	802,825	769,072	247,731	247,831	1,050,556	1,016,903
Construction in progress	114,599	82,932	385,407	298,927	500,006	381,859
Buildings	623,167	626,868	676,943	677,788	1,300,110	1,304,656
Improvements other than buildings	244,371	245,392	718,563	686,086	962,934	931,478
Machinery and equipment	321,334	305,509	615,224	598,883	936,558	904,392
Software	19,871	20,218	8,017	8,017	27,888	28,235
Infrastructure	927,965	924,373	1,156,201	1,104,460	2,084,166	2,028,833
Intangible right-to-use land	33	43	-	-	33	43
Intangible right-to-use building	11,892	8,934	-	-	11,892	8,934
Intangible right-to-use machinery and equipme	5,171	1,979	99	70	5,270	2,049
Intangible right-to-use infrastructure	10,312	10,314	-	-	10,312	10,314
Intangible right-to-use SBITA	18,401	-	5,435	-	23,836	-
Total capital assets	$3,100,261	$2,995,957	$3,813,913	$3,622,355	$6,914,174	$6,618,312
Accumulated depreciation/amortization	(1,109,854)	(1,049,851)	(1,776,606)	(1,686,046)	(2,886,460)	(2,735,897)
Total	$1,990,407	1,946,106	$2,037,307	$1,936,309	$4,027,714	$3,882,415

* Fiscal year 2022 columns are not restated for implementation of GASB 96. See Note IX for further detail.

Additional information on the County's capital assets can be found in Note V on pages 66-67.

Debt Administration

At September 30, 2023, the County had $855,455,000 of outstanding bonded debt. The revenue bonds, which are each payable from a specific revenue stream, had an outstanding balance of $855,455,000, or 100 percent of the total bonded debt. The outstanding bond balance decreased $42,445,000 or -4.7 percent, in comparison to prior year.

Total long-term liabilities of $1,144,870,000, which includes bonds payable (net of unamortized discounts/premiums), notes payable, financed purchase obligations, leases payable, subscription based IT arrangements payable, self-insurance claims payable, compensated absences, and landfill closure and postclosure costs decreased by $45,295,000, or -3.8 percent, in comparison to prior year.

The following is a schedule of outstanding bonds as of September 30, 2023 and 2022.

Lee County, Florida
Summary of Outstanding Debt
September 30, 2023 and 2022
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenue Bonds	$249,525	$262,350	$605,930	$635,550	$855,455	$897,900
Total	$249,525	$262,350	$605,930	$635,550	$855,455	$897,900

Standard and Poor's Rating Group suggests that debt service should not exceed 10-15 percent of appropriations. The fiscal year 2023 debt service was 3.3 percent of appropriations, which is within the suggested guidelines. Additional information on the County's long-term debt can be found in Note V on pages 70-82.

Economic Factors and Next Year's Budget Rates

The following were factors considered when next year's budget was prepared:

- Lee County had a 3.0 percent unemployment rate as reported by the Florida Research & Economic Database and Lee County Economic Development.
- There is a 5.0 percent salary increase in the County's fiscal year 2023-2024 budget.
- There was an increase in the property values from fiscal year 2023, which is used for fiscal year 2024, of 6.7 percent, based upon values determined by the Property Appraiser.
- The County received approximately $150,000,000 from the American Rescue Plan Act of 2021 to support public health efforts, address negative economic impacts caused by the public health emergency, replace lost public sector revenue, provide premium pay for essential workers, and invest in water, sewer, and broadband infrastructure. As of September 30, 2023, the County has approximately $73,728,000 in remaining funds.
- Hurricane Ian, a strong category 4 hurricane, made landfall in Lee County on September 28, 2022. During fiscal year 2023 the County incurred approximately $195,266,000 in Hurricane Ian related expenses, received $69,985,000 in state and federal grant funds and received $12,456,000 in insurance reimbursements. The County continues to focus on recovery and expects additional reimbursement from federal and state agencies for expenses related to Hurricane Ian.

Request for Information

This financial report is designed to provide the reader an overview of the County. Questions regarding any information provided in this report should be directed to: Lee County Clerk of Courts, Finance Department, 2115 Second Street, 3rd Floor, Fort Myers, Florida, 33901, phone (239) 533-2100.

BASIC FINANCIAL *Statements*



Lee County, Florida
STATEMENT OF NET POSITION
As of September 30, 2023
(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash, cash equivalents and investments	$ 568,285	$ 310,210	$ 878,495
Receivables (net)	27,804	149,528	177,332
Due from other governments	32,210	360	32,570
Internal balances	48,388	(48,388)	-
Inventories	4,714	3,055	7,769
Prepaids	4,582	3,492	8,074
Other assets	-	78	78
Restricted assets:			
Cash, cash equivalents and investments	598,802	415,829	1,014,631
Receivables	48,642	3,326	51,968
Due from other governments	8,856	197	9,053
Inventory	294	-	294
Capital assets:			
Non-depreciable	917,744	633,431	1,551,175
Depreciable, net	1,072,663	1,403,876	2,476,539
Total Assets	3,332,984	2,874,994	6,207,978
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding of debt	3,309	6,179	9,488
Unamortized pension costs and subsequent contributions	149,160	27,255	176,415
Unamortized other postemployment benefits costs and subsequent contributions	118,572	16,059	134,631
Total Deferred Outflows of Resources	271,041	49,493	320,534
LIABILITIES			
Contracts and accounts payable	44,341	38,987	83,328
Accrued liabilities	11,326	2,232	13,558
Due to other governments	9,579	8,315	17,894
Due to individuals	293	-	293
Deposits	5,787	1,077	6,864
Accrued interest payable	486	65	551
Unearned revenues	75,167	7,719	82,886
Refunds and rebates	-	4,359	4,359
Other liabilites	207	-	207
Liabilities payable from restricted assets:			
Contracts and accounts payable	19,641	44,570	64,211
Accrued liabilities	615	-	615
Due to other governments	13,564	51	13,615
Deposits	9,306	2,591	11,897
Unearned revenue	481	3,281	3,762
Accrued interest payable	4,386	13,558	17,944

(continued)

Lee County, Florida
STATEMENT OF NET POSITION
As of September 30, 2023
(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Noncurrent liabilities:			
Due within one year	47,049	50,371	97,420
Due in more than one year	326,453	720,997	1,047,450
Net pension liability	533,226	108,673	641,899
Total other postemployment benefits liability	412,786	99,083	511,869
Total Liabilities	1,514,693	1,105,929	2,620,622
DEFERRED INFLOWS OF RESOURCES			
Gain on refunding of debt	18	121	139
Unamortized pension costs	24,632	3,018	27,650
Unamortized other postemployment benefits costs	336,996	76,228	413,224
Unamortized leases	58,467	96,858	155,325
Total Deferred Inflows of Resources	420,113	176,225	596,338
NET POSITION			
Net investment in capital assets	1,760,709	1,420,375	3,181,084
Restricted for:			
Capital projects	272,254	121,719	393,973
Debt service	13,411	47,697	61,108
Inventory for resale	294	-	294
Special revenue funds:			
Improvement districts	13,389	-	13,389
Culture & recreation	6,026	-	6,026
Economic development	52,189	-	52,189
Health, safety & welfare	40,499	-	40,499
Transportation roads	72,082	-	72,082
Court programs	3,777	-	3,777
Public records	4,908	-	4,908
Inmate welfare	814	-	814
Driver's education	455	-	455
Law enforcement activities	1,648	-	1,648
Renewal and replacement	-	35,535	35,535
Unrestricted (deficit)	(573,236)	17,007	(556,229)
Total Net Position	$ 1,669,219	$ 1,642,333	$ 3,311,552

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023
(amounts expressed in thousands)

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total
PRIMARY GOVERNMENT:								
Governmental activities:								
General government	$ 410,646	$ (12,735)	$ 87,833	$ 89,928	$ 29,228	$ (190,922)	$ -	$ (190,922)
Public safety	391,963	910	51,326	22,825	10,617	(308,105)	-	(308,105)
Physical environment	31,713	273	3,163	8,425	27	(20,371)	-	(20,371)
Transportation	85,119	1,362	2,082	10,884	3,075	(70,440)	-	(70,440)
Economic environment	39,670	440	327	34,220	-	(5,563)	-	(5,563)
Human services	32,301	389	2,979	3,118	132	(26,461)	-	(26,461)
Culture and recreation	99,031	3,477	4,013	861	39,888	(57,746)	-	(57,746)
Interest on long-term debt	11,403	-	-	-	-	(11,403)	-	(11,403)
Total governmental activities	1,101,846	(5,884)	151,723	170,261	82,967	(691,011)	-	(691,011)
Business-type activities:								
Airport	156,887	796	142,803	29,996	18,027	-	33,143	33,143
Water and Wastewater	157,682	2,425	116,340	3,031	42,709	-	1,973	1,973
Transit	39,235	850	3,560	11,792	7,347	-	(17,386)	(17,386)
Transportation Facilities	24,902	705	41,221	-	-	-	15,614	15,614
Solid Waste	282,785	1,108	145,344	32,800	89	-	(105,660)	(105,660)
Total business-type activities	661,491	5,884	449,268	77,619	68,172	-	(72,316)	(72,316)
Total primary government	1,763,337	-	600,991	247,880	151,139	(691,011)	(72,316)	(763,327)
General revenues:								
Taxes:								
Property taxes						495,744	1	495,745
Gas taxes						26,326	-	26,326
Tourist taxes						36,711	-	36,711
Communication taxes						6,822	-	6,822
Franchise fees						25,937	3,025	28,962
Local business taxes						866	-	866
Grants and contributions not restricted to specific programs						111,962	-	111,962
Investment earnings						42,555	42,401	84,956
Miscellaneous						34,188	3,446	37,634
Special Item - Loss on discontinued project						-	(74,725)	(74,725)
Transfers						3,612	(3,612)	-
Total general revenues and transfers						784,723	(29,464)	755,259
Change in net position						93,712	(101,780)	(8,068)
Net position - beginning						1,575,507	1,744,113	3,319,620
Net position - ending						$ 1,669,219	$ 1,642,333	$ 3,311,552

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
BALANCE SHEET
GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	General	Transportation Capital Improvements	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash, cash equivalents and investments	$ 268,566	$ 202,317	$ 602,712	$ 1,073,595
Cash and cash equivalents with fiscal agent	-	-	16,988	16,988
Receivables				
Accounts (net)	11,569	222	1,184	12,975
Special assessments	-	-	2,220	2,220
Accrued interest	231	237	967	1,435
Leases	9,245	-	44,532	53,777
Due from other funds	2,130	20,902	2,329	25,361
Due from other governments	28,827	3,926	8,211	40,964
Inventory	461	-	3,512	3,973
Inventory held for resale	294	-	-	294
Advances	5,300	-	10,000	15,300
Total assets	326,623	227,604	692,655	1,246,882
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	32,953	13,422	15,852	62,227
Accrued liabilities	9,794	-	2,011	11,805
Due to other funds	2,348	359	2,816	5,523
Due to other governments	7,289	-	15,609	22,898
Due to individuals	293	-	-	293
Deposits	5,787	743	8,563	15,093
Unearned revenues	75,167	-	481	75,648
Other	207	-	-	207
Total liabilities	133,838	14,524	45,332	193,694
Deferred Inflows of Resources:				
Accounts receivable	8,628	-	670	9,298
Grants receivable	5,316	1,698	4,292	11,306
Special assessment receivable	-	-	2,458	2,458
Unamortized leases	9,155	-	44,251	53,406
Total deferred inflows of resources	23,099	1,698	51,671	76,468
Fund Balances:				
Nonspendable	5,761	-	13,512	19,273
Restricted	294	211,382	368,982	580,658
Committed	-	-	217,026	217,026
Assigned	106,181	-	-	106,181
Unassigned	57,450	-	(3,868)	53,582
Total fund balances	169,686	211,382	595,652	976,720
Total liabilities, deferred inflows of resources, and fund balances	$ 326,623	$ 227,604	$ 692,655	$ 1,246,882

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
As of September 30, 2023
(amounts expressed in thousands)

Fund balances - total governmental funds		$ 976,720
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Non-depreciable governmental capital assets	917,234	
Depreciable governmental capital assets, net	1,026,765	1,943,999
Certain receivables are not available to pay for current period expenditures and are reported as deferred inflows in the funds.		23,062
Prepaid assets that are not recorded in governmental funds under the modified accrual basis of accounting are recorded in the statement of net position under full accrual accounting.		3,151
Deferred outflows of resources on the loss on refunding of debt are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		3,309
Net deferred outflows (inflows) of resources related to pensions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		122,864
Net deferred outflows (inflows) of resources related to other postemployment benefits are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(214,743)
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.		
Governmental bonds payable	(268,756)	
Accrued interest payable	(4,590)	
Financed purchase obligations	(5,870)	
Leases payable	(9,989)	
SBITAs payable	(9,060)	
Variable debt payable	(250)	
Notes payable	(1,994)	
Arbitrage payable	(811)	
Net pension liability	(525,929)	
Total other postemployment benefits liability	(407,241)	
Compensated absences	(37,098)	(1,271,588)
Deferred inflows of resources on the gain on refunding of debt are not recognized in the governmental funds however they are recorded in the statement of net position under full accrual accounting.		(18)
Internal service funds are used by management to charge the cost of certain activities to the individual funds.		
Assets and liabilities of the internal service funds are reported with governmental activities.		82,463
Net position of governmental activities		$1,669,219

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	General	Transportation Capital Improvements	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 426,741	$ 26,326	$ 139,339	$ 592,406
Licenses and permits	1,692	-	16,763	18,455
Intergovernmental	199,594	1,458	72,965	274,017
Charges for services	51,841	-	37,043	88,884
Fines and forfeitures	116	-	1,850	1,966
Impact fees	-	-	78,159	78,159
Special assessments	-	574	850	1,424
Investment earnings	17,521	4,682	18,575	40,778
Miscellaneous	10,246	554	6,110	16,910
Total revenues	707,751	33,594	371,654	1,112,999
EXPENDITURES				
Current				
General government	207,858	-	99,406	307,264
Public safety	313,229	-	47,360	360,589
Physical environment	16,726	-	10,162	26,888
Transportation	-	13,066	42,971	56,037
Economic environment	8,532	-	30,084	38,616
Human services	20,190	-	8,134	28,324
Culture and recreation	19,956	-	64,219	84,175
Capital outlay				
General government	19,867	-	4,820	24,687
Public safety	14,755	-	12,187	26,942
Physical environment	16	-	1,145	1,161
Transportation	-	33,527	14,514	48,041
Economic environment	-	-	49	49
Human services	-	-	8	8
Culture and recreation	379	-	11,088	11,467
Debt service				
Principal retirement	3,901	-	16,108	20,009
Interest and fiscal charges	445	-	12,570	13,015
Bond issuance costs	170	-	-	170
Total expenditures	626,024	46,593	374,825	1,047,442
Excess (deficiencies) of revenues over (under) expenditures	81,727	(12,999)	(3,171)	65,557
OTHER FINANCING SOURCES AND (USES)				
Transfers in	7,692	34,672	167,390	209,754
Transfers out	(113,815)	(5,524)	(90,803)	(210,142)
Insurance recoveries	10,316	-	-	10,316
Debt issuance	-	-	736	736
Lease issuance	3,799	-	-	3,799
SBITA issuance	1,249	-	3,951	5,200
Total other financing sources and (uses)	(90,759)	29,148	81,274	19,663
Net change in fund balances	(9,032)	16,149	78,103	85,220
Fund balances - beginning	178,718	195,233	517,549	891,500
Fund balances - ending	$ 169,686	$ 211,382	$ 595,652	$ 976,720

The notes to the financial statements are an integral part of this statement.

Lee County, Florida

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2023

(amounts expressed in thousands)

Net change in fund balances - total governmental funds:		$ 85,220
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is depreciated over their estimated useful lives.		
Expenditures for capital assets	112,355	
Less current year depreciation and amortization	(71,060)	41,295
The net effect of various miscellaneous transactions involving capital and intangible assets (i.e., disposals, transfers, donations) is to decrease net position.		(9,568)
Prepaid expenses that are not recorded in governmental funds under the modified accrual basis of accounting are recorded in the statement of activities under full accrual accounting.		(885)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		18,448
Debt proceeds provide current financial resources for governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums and similar items when debt is first issued. These amounts are deferred and amortized in the statement of activities.		
Long- term debt issuance	(250)	
Lease issuance	(3,799)	
SBITA issuance	(5,200)	
Financed purchase obligations	(486)	
Principal payments on bonds, notes, loans, lease obligations, and SBITAs	20,009	10,274
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Pension benefits	(80,795)	
Other postemployment benefits	29,282	
Change in compensated absences	(3,783)	
Change in arbitrage liability	(811)	(56,107)
Interest on long-term debt in the statement of activities is recognized as the interest accrues, regardless of when it is due. In the governmental funds interest is recognized as an expenditure when it is due. Premiums and similar items are deferred and amortized in the statement of activities.		
Accrued interest on long-term debt	213	
Amortization of bond premiums, discounts, refunding gains and losses	2,105	2,318
Internal service funds are used by management to charge the costs of certain activities to individual funds.		
The net income of the internal service funds is reported with governmental activities		2,717
Change in net position of governmental activities		$93,712

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	$ 427,173	$ 427,173	$ 426,741	$ (432)
Licenses and permits	1,473	1,473	1,692	219
Intergovernmental	252,433	290,877	203,480	(87,397)
Charges for services	71,976	75,284	72,943	(2,341)
Fines and forfeitures	100	100	116	16
Investment earnings	1,885	3,023	13,783	10,760
Miscellaneous	4,173	8,799	18,842	10,043
Total revenues	759,213	806,729	737,597	(69,132)
EXPENDITURES				
Current				
General government	354,538	375,158	228,814	146,344
Public safety	300,147	314,180	313,229	951
Physical environment	5,712	28,776	16,726	12,050
Economic environment	15,590	17,138	8,532	8,606
Human services	26,309	27,488	20,190	7,298
Culture and recreation	24,386	25,256	19,956	5,300
Capital outlay				
General government	2,245	1,675	19,867	(18,192)
Public safety	1,841	14,009	14,755	(746)
Physical environment	120	120	16	104
Economic environment	19	19	-	19
Culture and recreation	230	230	379	(149)
Debt service				
Principal retirement	2,118	2,875	4,160	(1,285)
Interest and fiscal charges	-	-	186	(186)
Bond issuance costs	-	170	170	-
Total expenditures	733,255	807,094	646,980	160,114
Excess of revenues over expenditures	25,958	(365)	90,617	90,982
OTHER FINANCING SOURCES (USES)				
Transfers in	288,806	443,233	316,258	(126,975)
Transfers out	(401,583)	(541,828)	(422,381)	119,447
Insurance recoveries	-	-	10,316	10,316
Lease issuance	-	-	3,799	3,799
SBITA issuance	-	-	1,249	1,249
Debt issuance	-	25,000	-	(25,000)
Total other financing sources (uses)	(112,777)	(73,595)	(90,759)	(17,164)
Net change in fund balance	(86,819)	(73,960)	(142)	73,818
Fund balances - beginning	185,309	185,141	201,369	16,228
Fund balances - ending	$ 98,490	$ 111,181	$ 201,227	$ 90,046

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
ASSETS							
Current Assets:							
Cash, cash equivalents and investments	$ 171,150	$ 81,040	$ 26,134	$ 25,767	$ 6,119	$ 310,210	$ 76,504
Restricted assets							
Cash, cash equivalents and investments	30,432	22,918	3,331	477	-	57,158	-
Cash and cash equivalents with fiscal agent	24,012	13,627	8,473	7,827	-	53,939	-
Receivables							
Accounts (net)	3,260	12,179	2,087	8,350	53	25,929	776
Grants	18,311	2,732	-	89	3,513	24,645	-
Special assessments	-	418	-	-	-	418	-
Leases	4,901	53	-	11	-	4,965	363
Accrued interest	77	120	31	63	8	299	75
Due from other funds	-	333	-	274	-	607	533
Due from other governments	-	-	281	79	-	360	102
Inventories	286	2,490	279	-	-	3,055	741
Prepaids	2,835	264	335	44	14	3,492	1,431
Total current assets	255,264	136,174	40,951	42,981	9,707	485,077	80,525
Noncurrent Assets:							
Restricted assets							
Cash, cash equivalents and investments	179,122	97,006	2,648	25,956	-	304,732	-
Receivables							
Accounts	2,874	8	-	-	-	2,882	-
Grants	-	299	-	-	-	299	-
Accrued interest	-	131	5	9	-	145	-
Due from other governments	-	-	197	-	-	197	-
Receivables							
Leases	92,849	317	-	106	-	93,272	4,825
Capital assets							
Non-depreciable							
Artwork	293	-	-	-	-	293	-
Land, easements, and rights of way	132,436	33,611	44,485	28,099	9,100	247,731	510
Construction in progress	267,630	106,902	-	2,949	7,926	385,407	-
Depreciable/amortizable							
Buildings	363,586	134,661	11,182	123,231	44,283	676,943	4,163
Improvements	33,222	624,782	5,045	52,837	2,677	718,563	29
Machinery and equipment	122,865	209,111	6,412	229,976	46,860	615,224	73,840
Software	3,741	2,391	482	-	1,403	8,017	817
Infrastructure	403,078	427,940	290,638	32,552	1,993	1,156,201	283

(continued)

Lee County, Florida
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
Intangible right-to-use building	-	-	-	-	-	-	812
Intangible right-to-use machinery and equipment	99	-	-	-	-	99	3,835
Intangible right-to-use infrastructure	-	-	-	-	-	-	10,312
Intangible right-to-use SBITA	2,740	2,695	-	-	-	5,435	4,154
Less accumulated depreciation and amortization	(420,807)	(848,653)	(172,569)	(293,784)	(40,793)	(1,776,606)	(52,347)
Unamortized bond insurance	-	-	78	-	-	78	-
Total noncurrent assets	1,183,728	791,201	188,603	201,931	73,449	2,438,912	51,233
Total assets	1,438,992	927,375	229,554	244,912	83,156	2,923,989	131,758
DEFERRED OUTFLOWS OF RESOURCES							
Loss on refunding of debt	3,590	2,169	372	48	-	6,179	-
Unamortized pension costs and subsequent contributions	12,526	6,405	1,136	2,800	4,388	27,255	1,855
Unamortized other postemployment benefits costs	6,346	3,806	821	1,603	3,483	16,059	921
Total deferred outflows of resources	22,462	12,380	2,329	4,451	7,871	49,493	2,776
LIABILITIES							
Current liabilities:							
Contracts and accounts payable	17,428	6,033	458	13,064	2,004	38,987	1,755
Accrued liabilities	1,153	482	81	202	314	2,232	136
Refunds and rebates	4,359	-	-	-	-	4,359	-
Due to other funds	-	-	20,902	1	-	20,903	75
Due to other governments	771	6,670	240	487	147	8,315	245
Financed purchase obligation	-	300	-	-	-	300	-
Leases payable	36	-	-	-	-	36	867
SBITA payable	666	539	-	-	-	1,205	1,308
Deposits	1,049	-	-	28	-	1,077	-
Accrued interest payable	31	34	-	-	-	65	282
Unearned revenues	586	823	-	6,310	-	7,719	-
Self-insurance claims payable	-	-	-	-	-	-	12,955
Compensated absences	1,569	108	22	38	47	1,784	27
Current liabilities payable from restricted assets:							
Contracts and accounts payable	30,432	13,661	-	477	-	44,570	-
Accrued liabilities	9,262	1,942	1,592	762	-	13,558	-
Due to other governments	-	-	51	-	-	51	-
Deposits	-	2,591	-	-	-	2,591	-
Unearned revenues	-	-	3,281	-	-	3,281	-
Notes payable - current	-	6,491	-	-	-	6,491	-
Revenue bonds payable - current	14,750	11,860	6,880	7,065	-	40,555	-
Total current liabilities	82,092	51,534	33,507	28,434	2,512	198,079	17,650

(continued)

Lee County, Florida
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
Noncurrent liabilities:							
Self-insurance claims payable	-	-	-	-	-	-	9,880
Compensated absences	734	1,895	392	678	820	4,519	486
Financed purchase obligation	-	927	-	-	-	927	-
Leases payable	30	-	-	-	-	30	12,736
SBITA payable	1,168	1,695	-	-	-	2,863	1,415
Notes payable	-	50,184	-	-	-	50,184	-
Revenue bonds payable	438,332	109,034	64,101	24,820	-	636,287	-
Landfill closure and postclosure costs	-	-	-	23,970	-	23,970	-
Advances	-	-	-	10,000	5,000	15,000	300
Net pension liability	47,699	25,979	4,794	11,280	18,921	108,673	7,297
Total other postemployment benefits liability	40,644	22,900	4,937	9,646	20,956	99,083	5,545
Other	2,217	-	-	-	-	2,217	-
Total noncurrent liabilities	530,824	212,614	74,224	80,394	45,697	943,753	37,659
Total liabilities	612,916	264,148	107,731	108,828	48,209	1,141,832	55,309
DEFERRED INFLOWS OF RESOURCES							
Gain on refunding of debt	-	-	121	-	-	121	-
Unamortized pension costs	1,027	780	168	329	714	3,018	191
Unamortized other postemployment benefits costs	27,735	19,003	4,097	8,004	17,389	76,228	4,602
Unamortized leases	96,387	358	-	113	-	96,858	5,061
Total deferred inflows of resources	125,149	20,141	4,386	8,446	18,103	176,225	9,854
NET POSITION							
Net investment in capital assets	586,481	497,434	114,944	149,674	71,842	1,420,375	29,943
Restricted							
Capital projects	33,888	87,831	-	-	-	121,719	-
Debt service	19,472	14,237	6,902	7,086	-	47,697	-
Renewal and replacement	500	26,677	2,828	5,530	-	35,535	-
Unrestricted (deficit)	83,048	29,287	(4,908)	(30,201)	(47,127)	30,099	39,428
Total net position	$ 723,389	$ 655,466	$ 119,766	$ 132,089	$ 24,715	$ 1,655,425	$ 69,371
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(13,092)	
Net position of business-type activities						$ 1,642,333	

The notes to the financial statements are an integral part of this statement.

Lee County, Florida

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES							
User fees	$ 62,145	$ 114,165	$ -	$ 133,458	$ 3,378	$ 313,146	$ 171,516
Tolls	-	-	41,203	-	-	41,203	-
Rentals and franchise fees	9,367	222	-	3,037	178	12,804	531
Concessions	57,288	-	-	-	-	57,288	-
Miscellaneous	424	1,953	18	11,874	4	14,273	-
Total operating revenues	129,224	116,340	41,221	148,369	3,560	438,714	172,047
Less: Rebates	(4,598)	-	-	-	-	(4,598)	-
Net operating revenues	124,626	116,340	41,221	148,369	3,560	434,116	172,047
OPERATING EXPENSES							
Salaries and wages	33,346	22,949	3,872	9,959	14,600	84,726	6,356
Employee benefits	9,779	7,393	1,547	3,177	6,426	28,322	1,975
Pension and OPEB expense (benefit)	13,872	9,791	998	3,869	5,427	33,957	2,183
Contractual services, materials and supplies	43,154	40,907	3,974	244,005	4,546	336,586	18,969
Utilities	6,050	7,845	250	1,315	468	15,928	2,184
Repairs and maintenance	4,347	8,294	120	2,705	1,539	17,005	4,742
Insurance	3,208	1,429	1,554	559	716	7,466	9,571
Insurance claims	-	-	-	-	-	-	122,254
Other	2,348	4,670	3,510	2,029	1,218	13,775	1,226
Depreciation and amortization	26,687	50,823	6,749	14,795	4,674	103,728	6,317
Total operating expenses	142,791	154,101	22,574	282,413	39,614	641,493	175,777
Operating income (loss)	(18,165)	(37,761)	18,647	(134,044)	(36,054)	(207,377)	(3,730)
NON-OPERATING REVENUES (EXPENSES)							
Investment earnings	21,365	10,431	1,377	9,200	28	42,401	1,777
Taxes	-	-	-	1	-	1	-
Grants	29,941	2,986	-	32,098	11,736	76,761	(141)
Interest expense	(12,176)	(4,750)	(2,345)	(671)	-	(19,942)	(699)
Excess fees - City of Sanibel	-	-	(581)	-	-	(581)	-
Gain (loss) on disposal of capital assets	(333)	(85)	-	(4)	(415)	(837)	709
Loss on discontinued projects	-	(462)	-	(42)	-	(504)	-
Passenger facility charges	18,177	-	-	-	-	18,177	-
Other revenues	2,152	974	251	52	17	3,446	75
Other expenses	(2,330)	(1)	(1)	-	-	(2,332)	(13)
Total non-operating revenues (expenses)	56,796	9,093	(1,299)	40,634	11,366	116,590	1,708

(continued)

Lee County, Florida

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
Income (loss) before contributions and transfers	38,631	(28,668)	17,348	(93,410)	(24,688)	(90,787)	(2,022)
Capital grants and contributions	18,027	42,709	-	-	7,347	68,083	-
Special item - loss on discontinued project	(74,725)	-	-	-	-	(74,725)	-
Transfers in	-	-	-	108	17,206	17,314	4,000
Transfers out	-	-	(20,902)	(24)	-	(20,926)	-
Total contributions and transfers	(56,698)	42,709	(20,902)	84	24,553	(10,254)	4,000
Change in net position	(18,067)	14,041	(3,554)	(93,326)	(135)	(101,041)	1,978
Total net position - beginning	741,456	641,425	123,320	225,415	24,850	1,756,466	67,393
Total net position - ending	$ 723,389	$ 655,466	$ 119,766	$ 132,089	$ 24,715	$ 1,655,425	$ 69,371

Change in net position	(101,041)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	(739)
Change in net position of business-type activities	$ (101,780)

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	$ 117,365	$ 115,940	$ 41,088	$ 149,656	$ 3,569	$ 427,618	$ 19,007
Receipts from interfund services provided	-	-	-	-	-	-	152,780
Cash received from customer deposits	91	386	-	-	-	477	-
Cash returned from customer deposits	(198)	(735)	-	-	-	(933)	-
Payments to suppliers	(55,088)	(54,346)	(7,044)	(249,274)	(7,664)	(373,416)	(159,667)
Payments to employees	(42,621)	(27,987)	(5,702)	(12,079)	(18,318)	(106,707)	(7,916)
Payments for interfund services used	(7,241)	(10,731)	(2,016)	(3,213)	(6,924)	(30,125)	(1,942)
Net cash provided by (used in) operating activities	12,308	22,527	26,326	(114,910)	(29,337)	(83,086)	2,262
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Non-capital grants received	38,003	-	-	39,110	13,697	90,810	-
Non-capital grants issued	(55)	(45)	(140)	(645)	(56)	(941)	(70)
Proceeds of loans from other funds	-	-	-	10,000	2,000	12,000	300
Transfers in	-	-	-	125	17,206	17,331	4,000
Transfers out	-	-	(19,650)	(24)	-	(19,674)	-
Net cash provided by (used in) noncapital financing activities	37,948	(45)	(19,790)	48,566	32,847	99,526	4,230
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from capital debt	3,900	-	-	-	-	3,900	-
Proceeds from special assessments	-	70	-	-	-	70	-
Proceeds from capital grants	10,182	20,870	-	-	8,526	39,578	-
Proceeds from passenger facilities charges	17,833	-	-	-	-	17,833	-
Capital asset purchases	(141,428)	(73,231)	(482)	(21,798)	(6,829)	(243,768)	(5,852)
Principal paid on bonds, loans, leases, subscriptions and interfund loans	(18,748)	(18,514)	(6,435)	(6,715)	-	(50,412)	(2,386)
Interest paid on bonds, loans, leases, subscriptions and interfund loans	(19,128)	(4,574)	(3,348)	(1,692)	-	(28,742)	(517)
Proceeds from sale of capital assets	390	171	-	263	79	903	1,528
Net cash provided by (used in) capital and related financing activities	(146,999)	(75,208)	(10,265)	(29,942)	1,776	(260,638)	(7,227)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments	21,340	10,467	1,380	9,297	26	42,510	1,774
Net cash provided by investing activities	21,340	10,467	1,380	9,297	26	42,510	1,774
Net increase (decrease) in cash and cash equivalents and investments	(75,403)	(42,259)	(2,349)	(86,989)	5,312	(201,688)	1,039
Cash and cash equivalents at beginning of year	480,119	256,850	42,935	147,016	807	927,727	75,465
Cash and cash equivalents at end of year	$ 404,716	$ 214,591	$ 40,586	$ 60,027	$ 6,119	$ 726,039	$ 76,504
Classified as:							
Current assets							
Cash, cash equivalents and investments	$ 171,150	$ 81,040	$ 26,134	$ 25,767	$ 6,119	$ 310,210	$ 76,504
Restricted assets	54,444	36,545	11,804	8,304	-	111,097	-
Non-current							
Restricted assets	179,122	97,006	2,648	25,956	-	304,732	-
Totals	$ 404,716	$ 214,591	$ 40,586	$ 60,027	$ 6,119	$ 726,039	$ 76,504

(continued)

Lee County, Florida
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES							
Purchase of capital assets on account	$ 33,192	$ 12,623	$ -	$ 1,208	$ 1,277	$ 48,300	$ 168
Contributions of capital assets	-	21,838	-	-	-	21,838	-
Loss on disposal of capital assets	(723)	(256)	-	(266)	(494)	(1,739)	(818)
Capital assets acquired through lease and SBITA	717	-	-	-	-	717	6,516
Capital assets acquired through financed purchase obligation	-	843	-	-	-	843	-
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:							
Operating income (loss)	$ (18,165)	$ (37,761)	$ 18,647	$ (134,044)	$ (36,054)	$ (207,377)	$ (3,730)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation and amortization	26,687	50,823	6,749	14,795	4,674	103,728	6,317
Other revenues	2,152	974	251	52	17	3,446	75
(Increase) decrease in accounts receivable	939	(947)	1,207	1,422	(10)	2,611	(268)
(Increase) decrease in lease receivable	9,133	50	-	10	-	9,193	(141)
(Increase) decrease in due from other funds	-	(323)	-	(159)	-	(482)	(63)
(Increase) decrease in due from other governments	-	-	(238)	(6)	2	(242)	71
(Increase) decrease in inventories	2	76	(111)	-	-	(33)	(10)
(Increase) decrease in other assets	(1,155)	(82)	(159)	(39)	134	(1,301)	157
Increase (decrease) in contracts and accounts payable	5,046	(76)	88	2,519	(1,396)	6,181	(1,625)
Increase (decrease) in accrued liabilities	51	(298)	(42)	(73)	(51)	(413)	(64)
(Decrease) in refunds and rebates	(8,653)	-	-	-	-	(8,653)	-
Increase (decrease) in due to other funds	-	-	-	(4)	-	(4)	75
Increase (decrease) in due to other governments	49	3,518	(894)	(28)	(35)	2,610	(53)
(Decrease) in customer deposits	(106)	(348)	-	-	-	(454)	-
Increase (decrease) in unearned revenues	(984)	(15)	383	-	-	(616)	(6)
Increase in compensated absences	115	381	25	113	73	707	67
Increase (decrease) in deferred inflows of resources related to leases	(9,829)	(83)	-	(11)	-	(9,923)	70
Increase in net pension liability	11,556	6,745	983	3,072	4,625	26,981	1,840
(Increase) in deferred outflows of resources related to pensions	(3,011)	(1,558)	(202)	(735)	(941)	(6,447)	(459)
(Decrease) in deferred inflows of resources related to pensions	(72)	(55)	(27)	(31)	(87)	(272)	(23)
Increase (decrease) in total other postemployment benefits liability	510	304	(341)	(104)	(751)	(382)	(225)
Decrease in deferred outflows of resources related to other postemployment benefits	1,456	436	170	227	592	2,881	161
Increase (decrease) in deferred inflows of resources related to other postemployment benefits	(3,413)	766	(163)	135	(129)	(2,804)	(55)
(Decrease) in landfill closure and postclosure costs	-	-	-	(2,021)	-	(2,021)	-
Increase in other liabilities	-	-	-	-	-	-	151
Total adjustments	30,473	60,288	7,679	19,134	6,717	124,291	5,992
Net cash provided by (used in) operating activities	$ 12,308	$ 22,527	$ 26,326	$ (114,910)	$ (29,337)	$ (83,086)	$ 2,262

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

ASSETS		
Cash, cash equivalents and investments	$	50,131
Accounts receivable		17
Due from other governments		1,137
Total Assets		51,285
LIABILITIES AND NET POSITION		
Contracts and accounts payable		16
Due to individuals		1,288
Due to other governments		24,666
Total Liabilities		25,970
Fiduciary Net Position Restricted for		
Individuals, organizations, and other governments		25,315
Total Fiduciary Net Position		25,315
Total Liabilities and Fiduciary Net Position	$	51,285

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

ADDITIONS		
Fees/Fines collected for other governments	$	1,734,072
Registry and other deposits collected		50,987
Total additions		1,785,059
DEDUCTIONS		
Fees/Fines disbursed to other governments		1,734,072
Registry and other deposits disbursed		54,735
Total deductions		1,788,807
Change in Fiduciary Net Position		(3,747)
Fiduciary Net Position - beginning		29,062
Fiduciary Net Position - ending	$	25,315

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL *Statements*



Lee County, Florida
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

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NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Lee County (the "County") was founded in 1887 as a political subdivision of the State of Florida established by Article VIII, Section 1(f), *Florida Constitution*. In 1996 by adoption of Lee County Ordinance No. 96-01 the County became a charter county as allowed by Article VIII, Section 1(c), *Florida Constitution*, and Chapter 125.82, *Florida Statutes*. Pursuant to Article VIII, Section 1(g), *Florida Constitution*, as a charter county the County has all powers of self-government not inconsistent with general law, or with special law approved by vote. It also gives the County authority to enact ordinances that are not inconsistent with general law.

The County is governed by an elected Board of County Commissioners (the "Board"), which is governed by Title XI, Chapters 124-164, *Florida Statutes*, and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the entity as a whole, by major fund, and non-major funds in aggregate, that are governed by the Board and the Constitutional Officers of Lee County, Florida.

As required by generally accepted accounting principles ("GAAP"), the financial statements of the reporting entity include those of Lee County (the primary government) and its component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit may be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The departments and divisions of the Board and the Constitutional Officers, as well as the Lee County Port Authority (the "Port Authority"), a blended component unit, are included in Lee County's *Annual Comprehensive Financial Report*.

Blended Component Unit

The Port Authority is a dependent political subdivision of the County as defined in Chapter 189, *Florida Statutes*. The Port Authority was created by Chapter 63-1541, *Laws of Florida*, and by adoption of Resolution No. PA-87-8-9. The legal authority by which the Port Authority operates is found in Chapter 63-1541, *Laws of Florida*, and Chapters 125 and 332, *Florida Statutes*. The Port Authority is included in the County's reporting entity as a blended component unit due to the significance of the operational and financial relationships with the County.

Although it is a legally separate agency, financial support has been pledged and its financial and operational policies may be significantly influenced by the County. The Board of Port Commissioners is substantively the same governing body as the Board of County Commissioners. The Port Authority is accounted for as if it is a part of the County's operations and reported as a County Enterprise Fund.

Complete financial statements of the Port Authority component unit can be obtained as follows:

Lee County Port Authority
11000 Terminal Access Road, Suite 8671
Fort Myers, Florida 33913

Government-Wide and Fund Financial Statements

The government-wide financial statements and the major-fund financial statements along with the notes to the financial statements comprise the basic financial statements. The government-wide financial statements (the statement of net position and the statement of activities) concentrate on the County as a whole and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. The governmental activities and business-type activities comprise the primary government. Neither fiduciary funds nor component units that are fiduciary in nature are included. General governmental and inter-governmental revenues support the governmental activities, whereas the business-type activities are primarily supported by user fees and charges for services. The purpose of the government-wide financial statements is to allow the user to be able to determine if the County is in a better or worse financial position than the prior year.

The statement of activities reflects the expenses of a given function or program, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function. Taxes are reported under general revenue.

The County's major funds are presented in separate columns on the governmental fund financial statements and the proprietary fund financial statements. The definition of a major fund is one that meets certain criteria set-forth in Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments* ("GASB 34"). The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements.

The County allocates indirect expenses and therefore reports this allocation in a separate column on the government-wide statement of activities.

The effect of interfund activity has been removed from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation.

Internal service fund activity is reported in full on the proprietary fund financial statements. The internal service funds are combined and thus reported in a single summary column on the proprietary fund financial statements. However, the internal service fund activity has been eliminated - except for the outside activity - and is combined with the governmental activities on the government-wide financial statements. The outside activities are premiums paid from outside entities for insurance, employees' portion of insurance, auto and equipment repair, lease revenue for communication towers, and participating governments in the radio program for the government communications network.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounts of the County 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, deferred outflows/inflows of resources, fund equity or net position, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

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

The government-wide financial statements are prepared on a full accrual basis using the economic resources measurement focus, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all of the eligibility requirements have been met. Fiduciary fund financial statements are also prepared on an accrual basis.

Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund that include user fees, tolls, rental and franchise fees, and concessions. Non-operating revenues are not related to the operations of the proprietary fund and include taxes, interest earnings, grants, and passenger facility charges. Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses, such as interest expense, are not related to operations.

Governmental fund financial statements are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. The County considers all revenues, except grants, available if they are collected within sixty days after year-end. Grants are recorded as earned if collected within ninety days after year-end. Primary revenues, such as property taxes, special assessments, inter-governmental revenues, charges for services, sales and franchise taxes, rents, and interest are treated as susceptible to accrual under the modified accrual basis and so have been recognized as revenues. Expenditures reported in governmental fund financial statements are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule includes principal and interest on general long-term debt, which is recognized when due, and compensated absences which are accrued when matured.

When both restricted and unrestricted resources are available, restricted resources will be used first for incurred expenses, and then unrestricted as needed. When using the unrestricted resources, committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The County reports the following major funds in the governmental fund financial statements:

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

Transportation Capital Improvements – The Transportation Capital Improvements Fund is used to account for financial resources restricted for the acquisition or construction of major transportation-related infrastructure.

The County reports the following major funds in the proprietary fund financial statements:

Port Authority - The Lee County Port Authority is used to account for the activities related to the operation of the County owned aviation facilities, including Southwest Florida International Airport and Page Field General Aviation Airport.

Water and Wastewater - The Lee County Water and Wastewater System is used to account for the activities related to the operation of the County owned water and wastewater system.

Transportation Facilities - The Lee County Transportation Facilities fund is used to account for the activities related to the operation of the County owned bridges connecting Sanibel and Captiva Islands to the mainland and the Cities of Cape Coral and Fort Myers.

Solid Waste - The Lee County Solid Waste System is used to account for the provision of refuse disposal facilities to the general public.

The County reports the following other fund types:

Non-major Governmental Funds - The non-major governmental funds are a combination of special revenue, debt service, and capital projects funds.

Non-major Enterprise Funds - The only non-major enterprise fund is Lee County Transit. Lee County Transit is used to account for the activities related to the operation of the Lee Tran bus system, a countywide public transportation service.

Internal Service Funds - The internal service funds are used to account for data processing, risk management, health, dental and liability self-insurance, radio communications, and fleet management services on a cost reimbursement basis.

Custodial Funds - The custodial funds are used to account for assets collected and held by the County in a fiduciary capacity for individuals, organizations, and other governments. The Clerk of Courts and Tax Collector maintain custodial funds.

Use of Estimates

The preparation of the financial statements requires management to make a number of estimates and assumptions relating to the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and the disclosure of contingent assets at the date of the financial statements. Preparation of the financial statements also requires management to make a number of estimates and assumptions relating to the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

Budgetary Information

Budgets and Budgetary Accounting

Budgets have been adopted by the Board for all Board funds except for fiduciary funds. The budgets of the Property Appraiser and the Tax Collector are approved by the Florida Department of Revenue. The Sheriff and Supervisor of Elections prepare budgets for their general funds, which are submitted to and approved by the Board. The Clerk of Circuit Court (to the extent of their function as ex-officio Clerk to the Board) prepares a budget for the general fund (noncourt-related activities), which is submitted to and approved by the Board. In addition, the Clerk prepares a portion of noncourt-related and special revenue budgets based on anticipated fees. The Clerk also prepares a court-related budget, which is submitted to and approved by the Florida State Legislature in the General Appropriations Act. The Property Appraiser prepares a budget for its Geographical Information System special revenue fund pursuant to an Interlocal Agreement with the Board. This budget is approved by the Board. No budget is prepared for the Sheriff's special revenue and internal service funds.

Capital projects costs are budgeted in the year they are anticipated to be obligated. In subsequent years, the unused budget is reappropriated until the project is completed. Proprietary funds are budgeted on a basis consistent with GAAP, except that capital and debt related transactions are based upon cash receipts and disbursements. Estimated beginning fund balances are considered in the budgetary process. Differences between estimated beginning fund balances and actual fund balances, if material, are submitted to the Board as budget amendments. The annual budgets serve as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount

budgeted for each fund. The Board must approve all budget amendments, which change the legally adopted total appropriation for a fund, or amount of a Constitutional Officers' draw. Authority to transfer budget within a fund is delegated to the County Manager or Budget Director.

If, during the fiscal year, additional revenues become available for appropriation in excess of those estimated in the budget, the Board may make supplemental appropriations by resolution for the year up to the amount of such excess. During the fiscal year the Board, in accordance with Florida Statutes, approved various supplemental appropriations. Appropriations lapse at fiscal year-end.

Assets, Liabilities, Deferred Outflows/ Inflows of Resources, and Net Position or Equity

Cash, Cash Equivalents, and Investments

The County considers cash, cash equivalents, and investments to be cash on hand, demand deposits, highly liquid investments, including those held as restricted assets, with original maturities of three months or less when purchased, and those included in the internal investment pool.

For accounting and investment purposes, the County maintains a cash and investment pool that is available for use by all funds except those whose cash and investments must be segregated due to legal or other restrictions. Investments within this pool are treated as a demand deposit account by the various funds of the County that participate. Interest earned on investments in the pool is allocated to the various funds based upon each fund's equity balance in the pool during the allocation period.

For purposes of the Statements of Cash Flows, the County considers cash and cash equivalents and investments (restricted and unrestricted), and restricted cash and cash equivalents with fiscal agent to be cash and cash equivalents.

The County reports all investments at fair value, with the exception of the State Board of Administration's ("SBA") Florida Local Government Surplus Trust Fund Investment Pool (Florida PRIME) which is reported at amortized cost and approximates fair value. The County also participates in the Florida Cooperative Liquid Assets Securities System (FLCLASS) investment pool, the Florida Fixed Income Trust (FLFIT), and the Florida Surplus Asset Fund Trust (FLSAFE) investment pool which are measured at net asset value per share. The investment pools were created under sections 218.405 and 218.415, Florida Statutes and governed by Part IV of Chapter 218, Florida Statutes.

Accounts Receivable

The trade accounts receivable of the County are recorded in the government-wide, governmental, and proprietary fund financial statements and are net of an allowance for doubtful accounts, which generally is equivalent to the receivables that are over 90 days, plus any amounts to be submitted to the Board for write-off due to known uncollectible amounts.

Special assessment receivables that are not expected to be collected in the current year are reported as Deferred Inflows - unavailable revenue in the governmental fund statements. Delinquent special assessments receivable are expected to be recovered, ultimately through liens or foreclosures.

Due From/Due To

During the course of operations, the County has activity between funds for various purposes. Any residual

balances at year-end are reported as due from/to other funds. While these balances are reported in the fund financial statements, any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statement of net position as "internal balances."

Advances To/From Other Funds

County Administration Code AC-3-4 ("the Code") allows loans between funds to be made for a period not to exceed beyond the current fiscal year or thirty days, whichever is greater, that are approved by the County Manager or their designee. Loans that will not be repaid by the end of the current fiscal year must be approved by the Board of County Commissioners to be carried into the next fiscal year and are considered advances. Advances are considered long-term internal borrowings. Interest is calculated monthly either by using the fixed or simple interest method which is a variable rate based on the current rate used on Board funds deposited at the SBA, although the Code does allow for interest free loans. The Code does not specify repayment requirements. When it is determined that the advance will not be repaid it is treated as a transfer.

Inventory

Inventories reported within governmental and proprietary funds consisting of materials and supplies held for consumption are valued at cost using the first-in, first-out method (FIFO). These inventories are recorded as expenditures, or expenses, as they are used (consumption method). Such inventories reported within governmental funds are classified as non-spendable. Inventory held for resale consists of real estate holdings which the County intends to sell as part of a Neighborhood Stabilization grant program and are reported at the lower of cost or market. The inventory is classified as a restricted asset, which indicates it does not constitute available resources.

Prepaid Items

Some payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. Prepaids are not recorded in governmental funds.

Capital Assets

Capital assets include artwork, land, easements and rights of way, buildings, improvements, equipment, software, infrastructure, and intangible right-to-use assets. Infrastructure assets are defined as public domain capital assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets that are immovable and of value only to the government unit. Capital assets are reported in the government-wide financial statements in the applicable governmental or business-type activities column, as well as the proprietary fund financial statements. The threshold for capitalizing property, plant, and equipment is $5,000. The threshold for capitalizing software and infrastructure is $100,000. Capital assets are recorded at cost or estimated historical cost. Contributed assets are recorded at acquisition value at the time received. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. The ranges of the useful lives are as follows:

Asset	Years
Buildings	30-50
Improvements other than buildings	6-50
Machinery and Equipment	3-35
Software	3-5
Infrastructure	20-50

Florida Statutes require that the Board maintain accountability for all capital assets used in operations, except those separately accounted for by the Sheriff.

Financed Purchase Obligations

In the government-wide financial statements and proprietary fund financial statements, financed purchase obligations and the related cost of assets acquired are reflected in the Statement of Net Position. For financed purchase obligations in governmental funds, an expenditure for the asset and an offsetting other financing source are reflected in the fund financial statements in the year of inception.

Leases

The County is a lessor for noncancelable leases of land, buildings, and infrastructure. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide, proprietary, and governmental fund financial statements. The lease receivable is measured at the present value of payments expected to be received during the lease term. The receivable is reduced by the principal portion of lease payment received. The deferred inflow of resources is measured as the initial amount of the lease receivable, adjusted for lease payments received on or before the lease commencement date. The deferred inflow of resources is recognized as revenue over the term of the lease.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, (3) lease receipts. When the interest rate is not provided or cannot be readily determined, the County's prior year actual interest yield is used as the discount rate. The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are comprised of fixed payments from the lessee.

The County is a lessee for noncancelable leases of land, building, equipment and infrastructure. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide and proprietary fund financial statements. The County measures the lease liability at the present value of payments expected to be made during the lease term at the commencement of the lease. The lease liability is reduced by the principal portion of lease payment made each year. The lease asset is measured as the initial amount of the lease liability and is amortized on a straight-line basis over the term of the lease. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Estimates and judgments related to leases include, (1) the discount rate used, (2) lease term, (3) lease payments. The county uses the interest rate charged by the lessor as the discount rate. When the interest rate charged is not provided or cannot be readily determined, the County's incremental borrowing rate is used as the discount rate. The lease term includes the noncancelable period of the lease including options to extend (only if they are reasonably certain to extend). Lease payments included in the measurement of the lease liability are comprised of fixed payments and any purchase option price the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease asset and liability or lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect those amounts.

Subscription-Based Information Technology Arrangements

The County is currently committed to various noncancelable subscription-based information technology arrangements (SBITAs) of right- to- use software. The County recognizes a SBITA payable and an intangible right-to-use SBITA asset in the government-wide and proprietary fund financial statements. The County measures the

SBITA liability at the present value of payments expected to be made during the subscription term at the commencement of the subscription. The SBITA liability is reduced by the principal portion of the subscription payment made each year. The SBITA asset is measured as the initial amount of the SBITA liability and is amortized on a straight-line basis over the term of the subscription. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the Statement of Net Position.

Estimates and judgments related to subscriptions include, (1) the discount rate used, (2) subscription term, (3) subscription payments. The County's incremental borrowing rate is used as the discount rate. The subscription term includes the noncancelable period of the subscription including options to extend (only if they are reasonably certain to extend). Subscription payments included in the measurement of the subscription liability are comprised of fixed payments and any purchase option price the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its subscriptions, and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect those amounts.

Unearned Revenues

Unearned revenues represent revenues collected in advance of services performed and will be recognized when the services are rendered.

Compensated Absences

The County maintains a policy that permits employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation from County service if certain criteria are met. These benefits, plus their related tax and retirement costs are classified as compensated absences. The County's policy requires employees to bank unused sick pay benefits. Both the current and long-term portion of compensated absences are accrued and reported in the government-wide and proprietary fund financial statements. The exception to this policy is the Lee County Port Authority, which has a mandatory annual buyback of unused leave. This is accounted for pursuant to GASB Statement Number 16, *Accounting for Compensated Absences*. Payments for compensated absences are made by the respective fund.

Unamortized Bond Premiums and Discounts

Bond premiums and discounts related to long-term debt are amortized over the life of the debt, principally by the effective-interest method. Notes payable and revenue bonds payable in the government-wide and proprietary fund financial statements are shown net of unamortized discounts and premiums. Premiums and discounts related to general long-term debt in the governmental fund financial statements are recorded as expenditures or other financing sources when paid or received and, therefore, are not accounted for in subsequent periods.

Deferred Outflows of Resources

Deferred outflows of resources represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense or expenditure) until then. The deferred outflows of resources reported in the County's Statement of Net Position represents other postemployment benefit related balances, pension related balances, and losses on refunded debt. These amounts will be recognized as increases in expense in future years.

Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net assets that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until then. In governmental funds, revenues not received within sixty days of year-end and grant revenue not available within ninety days of year-end are deferred until collected as they do not meet the availability criteria. The County currently has unavailable revenue for accounts receivable, special assessments, and grant receivables. In addition, both governmental and proprietary funds are reporting deferred inflows of resources related to unamortized lease revenue, which will be recognized over the term of the lease. The deferred inflows of resources reported in the County's Statement of Net Position represents other postemployment benefit related balances, pension related balances, and gains on refunded debt. These amounts will be recognized as reductions in expense in future years.

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.

Net Position

In the government-wide and proprietary fund financial statements net position is categorized as net investment in capital assets, restricted and unrestricted. Restricted net position indicates amounts that have constraints on their use externally imposed by creditors, through debt covenants, by grantors, or by law. Restricted assets are being reported for: capital projects; debt service; inventory held for resale; special revenue funds; and renewal and replacement. The government-wide statement of net position reports $481,746,000 of governmental activities restricted net position, of which $460,382,000 is restricted by enabling legislation.

Fund Balances

In the governmental fund financial statements the County reports fund balances as either non-spendable or spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and internal constraints.

Non-spendable balances are those that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Criteria include items that are not expected to be converted into cash, for example inventories and prepaids. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale. However, if the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned, then they should be included in the appropriate fund balance classification.

Spendable fund balances are classified as follows:

Restricted Fund Balance – Amounts that are constrained for a specific purpose imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations, or through constitutional provisions or enabling legislation.

Committed Fund Balance – Amounts constrained for a specific purpose imposed by a formal action of adopting an ordinance by the Board, the highest level of decision making authority, for the County. Once adopted, an ordinance can only be modified, rescinded, or replaced in the same manner, by another ordinance of the Board.

Assigned Fund Balance – Amounts that are intended to be used for specific purposes as determined by the Board, but that are neither restricted nor committed. Per the Board's administrative code, only the Board is authorized to assign fund balance.

Unassigned Fund Balance – Amount represents the residual fund balances for the County's General Fund that does not meet the other fund balance classification requirements and amounts reported as deficit fund balances in other governmental funds.

NOTE II. DIFFERENCE BETWEEN BUDGETED AND ACTUAL RESULTS

Budgets are adopted on a basis consistent with GAAP except as follows:

General Fund – Emergency Medical Services (EMS) ambulance fees are budgeted on a cash basis; the adjustment to record the remaining outstanding fees to accounts receivable for the year is not budgeted. Changes in fair value of investments, receivables not received within sixty days of year-end, grant revenues not received within ninety days of year-end, inventory adjustments, and lease amortization and interest are not budgeted.

The following adjustments were necessary to present actual data on a budgetary basis (Non-GAAP) for the fiscal year ended September 30, 2023 (dollars in thousands):

Net change in fund balance (GAAP basis)	$(9,032)
Basis Difference:	
EMS ambulance fees not reported on a cash basis	(463)
Fair value adjustment	(3,712)
Unavailable revenues	13,125
Unearned revenues	34
Expenditures associated with inventory	(35)
Leases	(59)
Net change in fund balance non-GAAP	$ (142)

NOTE III. PROPERTY TAXES

Property taxes become due and payable on November 1 of each year and are delinquent on April 1 of the following year. Discounts on property taxes are allowed for payments made prior to the April 1 delinquent date. Tax certificates for the full amount of any unpaid taxes must be sold no later than June 1 of each year. No accrual for the property tax levy becoming due in November 2023 is included in the accompanying financial statements, since such taxes are collected to finance expenditures of the subsequent period.

Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided by Florida Statutes. The enforceable lien date is approximately two years after taxes become delinquent and occurs

only upon request of a holder of a delinquent tax certificate. There were no significant delinquent property tax receivables at September 30, 2023.

Important dates in the property tax cycle are as follows:

- Assessment roll certified- July 1
- Millage resolution approved- no later than 95 days following receipt of the certified preliminary assessment roll
- Beginning of fiscal year for which taxes have been levied- October 1
- Taxes due and payable (levy date)- November 1
- Property taxes payable (maximum discount of 4 percent)- 30 days after levy date
- Due date- March 31
- Taxes become delinquent (lien date)- April 1
- Tax certificate sold- prior to June 1

NOTE IV. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Finance Related Legal and Contractual Provisions

Management believes there were no violations of finance related legal and contractual provisions.

Deficit Fund Balances

At September 30, 2023, Disaster Recovery, and the Sheriff's Special Revenue funds showed deficit fund balances of $2,965,000, and $19,000, respectively. This is primarily due to the timing of reimbursement grants to be received in the next fiscal year.

Deficit Net Position

At September 30, 2023, the Self Insurance General Liability Fund had a deficit unrestricted net position balance of $1,582,000. Claims will exceed charges in any given year and are charged out to departments on a cash basis. The net position will be a deficit balance until charges are recaptured.

NOTE V. DETAIL NOTES ON ALL FUNDS

Cash and Equity in Pooled Cash and Investments, and Investments

Investment Portfolio

As of September 30, 2023, the County had the following deposits, investments, and maturities (amounts in thousands):

Investment	Maturities	Fair Value	Call Date	Call Frequency	Rating
Cash on hand	N/A	$ 3,972			N/A
Cash with Fiscal Agent	N/A	70,928			N/A

Investment	Maturities	Fair Value	Call Date	Call Frequency	Rating
Demand Deposits	N/A	205,582			N/A
Local Government Investment Pool					
FLCLASS	43 days	22,638			AAAm
Florida PRIME	35 days	769,542			AAAm
FLFIT	23 days	22,297			AAAf/S1
FLSAFE	45 days	48,487			AAAm
Money Market Funds	N/A	1,000			AAAm
U.S. Treasury Note	4/15/2024	19,469	N/A	N/A	N/A
U.S. Treasury Note	5/15/2024	24,206	N/A	N/A	N/A
U.S. Treasury Note	6/15/2024	24,101	N/A	N/A	N/A
U.S. Treasury Note	6/15/2024	24,101	N/A	N/A	N/A
U.S. Treasury Note	7/15/2024	19,220	N/A	N/A	N/A
U.S. Treasury Note	9/15/2024	23,824	N/A	N/A	N/A
U.S. Treasury Note	9/15/2024	23,824	N/A	N/A	N/A
U.S. Treasury Note	10/15/2024	23,796	N/A	N/A	N/A
U.S. Treasury Note	11/15/204	47,494	N/A	N/A	N/A
U.S. Treasury Note	2/28/2025	23,598	N/A	N/A	N/A
Federal Agricultural Mortgage Corp	12/2/2024	23,729	N/A	N/A	N/A
Federal Agricultural Mortgage Corp	12/2/2024	23,729	N/A	N/A	N/A
Federal Agricultural Mortgage Corp	2/24/2025	23,719	2/24/2023	Qtr	N/A
Federal Agricultural Mortgage Corp	2/23/2027	22,584	2/23/2024	Qtr	N/A
Federal Farm Credit	4/22/2024	14,085	N/A	N/A	AA+
Federal Farm Credit	7/23/2024	28,830	N/A	N/A	AA+
Federal Farm Credit	11/18/2024	23,781	N/A	N/A	AA+
Federal Farm Credit	12/2/2024	17,035	12/2/2022	Cont.	AA+
Federal Farm Credit	9/1/2026	22,149	9/1/2022	Cont.	AA+
Federal Farm Credit	9/1/2026	22,149	9/1/2022	Cont.	AA+
Federal Farm Credit	9/28/2026	22,138	9/28/2022	Cont.	AA+
Federal Farm Credit	1/11/2027	22,266	1/11/2024	Cont.	AA+
Federal Farm Credit	1/13/2027	22,470	N/A	N/A	AA+
Federal Home Loan Bank	5/24/2024	24,176	11/24/2022	Qtr	AA+
Federal Home Loan Bank	5/28/2024	24,163	11/30/2022	Qtr	AA+
Federal Home Loan Bank	8/26/2024	47,795	11/26/2022	Qtr	AA+
Federal Home Loan Bank	10/28/2024	23,763	10/28/2022	Qtr	AA+
Federal Home Loan Bank	1/27/2025	47,298	10/27/2022	Qtr	AA+
Federal Home Loan Bank	6/30/2026	22,366	12/31/2022	Qtr	AA+
Federal Home Loan Bank	8/14/2026	22,273	12/14/2022	Qtr	AA+
Federal Home Loan Bank	9/30/2026	22,264	12/30/2022	Qtr	AA+
Federal Home Loan Bank	1/28/2027	22,416	10/28/2022	Qtr	AA+
Total		$ 1,943,257			

Reconciliation of cash, cash equivalents and investments, from the schedule of deposits and investments to the basic financial statements (dollars in thousands):

Primary Government:	
Cash, cash equivalents and investments	$ 878,495
Restricted cash, cash equivalents and investments	1,014,631
Custodial Funds:	
Cash, cash equivalents and investments	50,131
Total	$ 1,943,257

Fair Value

The County categorizes its fair value measurements within the fair value hierarchy established in Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurements and Application*. The hierarchy is based on valuation inputs used to measure the fair value of the asset.

Level 1 – Valuation is based on quoted prices for identical instruments traded in active markets. At September 30, 2023, the County held no such assets.

Level 2 – Valuation is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market. The County invests in U.S. Treasury and Agency Securities which were valued using a matrix pricing model and determined to be Level 2 inputs.

Level 3 – Valuation is based on model-based techniques that use significant inputs and assumptions not observable in the market. These unobservable inputs and assumptions reflect the Reserve Banks' estimates of inputs and assumptions that market participants would use in pricing the assets and liabilities. Valuation techniques include the use of option pricing models, discounted cash flow models, and similar techniques. At September 30, 2023, the County held no such assets.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

The County has the following recurring fair value measurements as of September 30, 2023 (dollars in thousands):

Investments by fair value level (Level 2)	
Debt securities	
U.S. Treasury securities	$ 253,633
Agency securities	545,178
Total debt securities	798,811
Total Investments by fair value level	798,811
Investments measured at the net asset value (NAV)	
Florida Cooperative Liquid Assets Securities System (FLCLASS)	22,638
Florida Fixed Income Trust (FLFIT)	22,297
Florida Surplus Asset Fund Trust (FLSAFE)	48,487
Total investments measured at the NAV	$ 93,422

Additional information for investments measured at NAV or its equivalent (amounts in thousands):

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period	Redemption Restrictions
Florida Cooperative Liquid Assets Securities System (FLCLASS)	$ 22,638	$ -	Daily	3:00 p.m. EST (same day)	None
Florida Fixed Income Trust (FLFIT)	22,297	-	Daily	4:00 p.m. EST (same day)	None
Florida Surplus Asset Fund Trust (FLSAFE)	48,487	-	Daily	1:00 p.m. EST (same day)	None
Total investments measured at the NAV	$ 93,422	$ -			

Additional information for investments measured at amortized cost:

The State Board of Administration's ("SBA") Florida Local Government Surplus Trust Fund Investment Pool (Florida PRIME) is reported at amortized cost and approximates fair value. Florida PRIME is considered a qualifying external investment pool that meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the fair value of the County's position in the pool is the same as the value of the pool shares. The Florida PRIME investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year, and as of September 30, 2023, Florida PRIME contained certain floating and adjustable rate securities. These investments represented 31.4 percent of Florida PRIME's portfolio at September 30, 2023.

With regard to redemption gates, Section 218.409(8)(a), *Florida Statutes*, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Section 218.409(4), *Florida Statutes* provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Credit Risk

The Board's Investment Policy (Policy) limits credit risk by restricting authorized investments for their investment portfolio to the following:

A.) Direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government.

B.) U.S. Government sponsored enterprises.
C.) U.S. Government Agencies.
D.) Florida Local Government Surplus Funds Trust Fund (Florida PRIME) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969.
E.) Interest-bearing time deposits or savings accounts in banks organized under the laws of Florida, in national banks organized under the laws of the United States and doing business and situated in Florida. Savings and loan associations which are under federal law and supervision, provided deposits are secured by collateral as may be prescribed by law. The institution must be fully insured by Federal Deposit Insurance Corporation, or Federal Savings and Loan Insurance Corporation, and are approved by the State Treasurer as a qualified public depository.
F.) Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided their portfolio is limited to United States Government obligations and repurchase agreements fully collateralized by such United States Government obligations.
G.) Term and overnight repurchase agreements with any primary brokers/dealers that are fully collateralized by direct obligations of United States, or United States government sponsored corporation/ instrumentalities, or United States government agencies. Collateral for overnight and term repurchase agreements must maintain a minimum price of 101 percent on U.S. Treasuries and 102 percent on Agencies and Instrumentalities not to exceed five (5) years, and must be "marked to market" on a weekly basis.
H.) Bonds, notes or obligations of any state of the United States, any municipality, political subdivision, agency or authority of this state which are exempt from federal income taxation, and are rated by any nationally recognized rating agency for municipal bonds in any of the two highest classifications.
I.) SEC - registered, no-load money market mutual funds whose portfolios consist of tax exempt securities and repurchase agreements, whose shares of the mutual fund must be rated in the highest category by a nationally recognized rating service.
J.) Florida Local Government Investment Trust (FLGIT).
K.) SEC registered money market mutual funds with average portfolio maturities under 120 days, whose portfolios consist of United States Government securities and repurchase agreements secured by such securities.

The Board's Policy requires that the obligations of any state or municipality be rated by at least one of the nationally recognized rating agencies in any one of the two (2) highest classifications, and that investments in money market mutual funds must be rated in the highest category by a nationally recognized rating service.

The Clerk does not have a formal written investment policy and thereby is required to follow Section 218.415, *Florida Statutes,* when investing surplus funds. This statute limits investing of surplus funds to the Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest-bearing time deposits or savings accounts in qualified public depositories, or direct obligations of the U.S. Treasury. All other Constitutional Officers follow the guidance in Section 219.075, *Florida Statutes*, regarding the deposit of funds and the investment of surplus funds, in addition to Section 218.415, *Florida Statutes*.

Custodial Credit Risk

The Board's Policy requires that bank deposits be secured as provided by Chapter 280, *Florida Statutes,* and that the banks must be fully insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) and approved by the State Treasurer as a public depository. At September 30, 2023, all of the County's bank deposits, including the Constitutional Officers', were in qualified public depositories.

The Board's Policy requires execution of a third-party custodial safekeeping agreement for all purchased securities and collateral, and requires that they be held in the County's name.

Interest Rate Risk

The Board's Policy requires an average minimum dollar amount equivalent to eight weeks of expenditures shall be held in a liquid investment, and securities will not be directly invested in or accepted as collateral that have a maturity date greater than five (5) years from the settlement date.

Concentration of Credit Risk

The Board's Policy establishes the following guidelines on portfolio composition in order to control concentration of credit risk:

United States Treasuries/Agencies	100%
Local Government Surplus Funds Trust Fund and other investment pools	50%
Term Repurchase agreements	20%
Money Market Mutual Funds (no individual fund family over 30%)	65%
CD's and Savings Accounts (10% per institution)	30%
FLGIT	5%

The Investment Committee may adjust the target percentages of each eligible security in the portfolio due to market and cash flow conditions.

Receivables

Accounts Receivable (Net)

At September 30, 2023, accounts receivable for the County's major funds and all other funds in aggregate were as follows (dollars in thousands):

	General Fund	Transportation Capital Improvements	Non-Major Governmental Funds	Total Governmental Funds
Accounts	$ 89,159	$ 222	$ 1,184	$ 90,565
Less: allowance for bad debt	(77,590)	-	-	(77,590)
Total net accounts receivable	$ 11,569	$ 222	$ 1,184	$ 12,975

	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Accounts	$ 3,760	$ 12,477	$ 6,373	$ 8,350	$ 53	$ 31,013	$ 776
Less: allowance for bad debt	(500)	(298)	(4,286)	-	-	(5,084)	-
Total net accounts receivable	$ 3,260	$ 12,179	$ 2,087	$ 8,350	$ 53	$ 25,929	$ 776

Leases Receivable

The County currently leases land, buildings, and equipment to various third parties. As of September 30, 2023, the County's lease receivables were valued at $157,202,000 and the deferred inflow of resources associated with these leases which will be recognized as revenue over the term of the leases was $155,325,000. These payments are generally fixed monthly payments with certain variable payments not included in the measurement of the lease receivable. The County has agreements with rental car companies and certain concessionaires with a minimum annual guarantee. These agreements have abatement clauses that make the payments variable in nature as they are based on future performance of the lessee. These variable payments are not included in the measurement of the lease receivable.

The lease receivables for Governmental and Business-type Activities at September 30, 2023 were as follows:

Governmental Activities

Land – During the fiscal year, the County recognized $20,000 in lease revenue related to various land leases at an interest rate of 0.27 percent, with term dates ranging from 2034 to 2039.	$218,000
Buildings – During the fiscal year, the County recognized $1,337,000 in lease revenue related to various building leases at an interest rate of 0.27 percent, with term dates ranging from 2026 to 2066.	50,712,000
Infrastructure – During the fiscal year, the County recognized $580,000 in lease revenue income related to various infrastructure (tower) leases at an interest rate of 0.27 percent, with term dates ranging from 2027 to 2047.	8,035,000
Total Governmental Activities Lease Receivables	$58,965,000

Business-Type Activities

Land – During the fiscal year, the County recognized $2,865,000 in lease revenue related to various land leases at interest rates from 0.27 percent to 0.86 percent, with term dates ranging from 2028 to 2092. Variable payments related to these land leases were $1,271,000 for the year.	$79,197,000
Buildings – During the fiscal year, the County recognized $3,035,000 in lease revenue related to various building leases at interest rates from 0.86 percent to 2.47 percent, with term dates ranging from 2024 to 2035. Variable payments related to these building leases were $33,239,000 for the year.	18,570,000
Infrastructure – During the fiscal year, the County recognized $199,000 in lease revenue related to various infrastructure (tower) leases at interest rates from 0.86 percent to 2.47 percent, with term dates ranging from 2025 to 2029.	470,000
Total Business-Type Activities Lease Receivables	$98,237,000

Payments for lease receivables are expected to be received in subsequent years as follows (dollars in thousands):

	Governmental Activities		Business-Type Activities	
Fiscal Year	Principal	Interest	Principal	Interest
2024	$ 1,646	$ 161	$ 4,965	$ 901
2025	1,669	157	4,921	853
2026	1,668	152	4,857	805
2027	1,578	148	4,923	758
2028	1,558	144	4,908	709
2029 - 2033	7,301	657	12,645	3,005
2034 - 2038	7,670	555	7,319	2,476
2039 - 2043	7,997	447	6,666	2,170
2044 - 2048	7,137	340	7,041	1,872
2049 - 2053	6,702	248	6,512	1,581
2054 - 2058	6,979	155	6,153	1,306
2059 - 2063	5,761	59	6,016	1,050
2064 - 2068	1,299	5	6,039	782
2069 - 2073	-	-	4,257	561
2074 - 2078	-	-	2,959	407
2079 - 2083	-	-	2,838	287
2084 - 2088	-	-	2,963	162
2089 - 2092	-	-	2,255	36
	$ 58,965	$ 3,228	$ 98,237	$ 19,721

Regulated Leases

The County leases certain assets to various third parties, whose leases meet the definition of a regulated lease as defined in GASB No. 87 and therefore, are only subject to the disclosure requirements. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g. the U.S. Department of Transportation and the Federal Aviation Administration, regulated aviation leases between airport and other aeronautical users. Certain assets are subject to preferential or exclusive use by the counterparties to these agreement, as follows:

- Jet bridges – 19 of 27 total jet bridges are designated preferential use.
- Passenger hold rooms - 19 of 27 hold rooms are designated preferential use.
- Baggage service offices - All space in this category is designated exclusive use.
- Baggage make up units – 9 of 14 baggage make up units are designated exclusive use.
- Ticket counters - 32 of 58 total ticket counters are designated exclusive use.
- Ticket office space - All space in this category is designated exclusive use.
- Concourse operations space - All space in this category is designated exclusive use.

The following represents the County's regulated leases excluded from GASB 87 as of September 30, 2023:

Land – During the fiscal year, the County recognized $3,102,000 in revenue related to regulated land leases, with term dates ranging from 2024 to 2049. Variable payments related to these signatory leases was $2,745,000 for the year.	$48,061,000
Building (Hangar) – During the fiscal year, the County recognized $187,000 in revenue related to regulated building leases, with term dates ranging from 2024 to 2032. Variable payments related to these signatory leases was $20,249,000 for the year.	1,702,000
Total Business-Type Activities Regulated Leases	$49,763,000

Payments for regulated leases are expected to be received in subsequent years as follows (dollars in thousands):

Fiscal Year(s)	Business-type Activities
2024	$ 3,080
2025	3,114
2026	3,171
2027	3,222
2028	3,221
2029 - 2033	14,632
2034 - 2038	11,538
2039 - 2043	7,213
2044 - 2048	549
2049	23
Total	$ 49,763

Capital Assets

Capital asset activity for the fiscal year ended September 30, 2023, was as follows (dollars in thousands):

	Beginning Balance (as restated)		Increases	Decreases	Ending Balance
Governmental Activities:					
Capital assets not being depreciated:					
Artwork	$ 323		$ -	$ (3)	$ 320
Land, easements, and rights of way	769,072		35,660	(1,907)	802,825
Construction in progress	82,932		82,501	(50,834)	114,599
Total capital assets not being depreciated	852,327		118,161	(52,744)	917,744
Capital assets being depreciated/amortized:					
Buildings	626,868		1,300	(5,001)	623,167
Improvements other than buildings	245,392		1,075	(2,096)	244,371
Machinery and equipment	305,509		29,115	(13,290)	321,334
Software	20,218		1,571	(1,918)	19,871
Infrastructure	924,373		4,624	(1,032)	927,965
Intangible right-to-use land	43		-	(10)	33
Intangible right-to-use building	8,934		3,634	(676)	11,892
Intangible right-to-use machinery and equipment	1,979		3,192	-	5,171
Intangible right-to-use infrastructure	10,314		-	(2)	10,312
Intangible right-to-use SBITA	7,694	*	10,707	-	18,401
Total capital assets being depreciated/amortized	2,151,324		55,218	(24,025)	2,182,517
Less accumulated depreciation/amortization for:					
Buildings	250,713		12,372	(1,936)	261,149
Improvements other than buildings	182,075		13,223	(2,075)	193,223
Machinery and equipment	193,260		21,448	(10,982)	203,726
Software	18,133		1,345	(1,918)	17,560
Infrastructure	403,820		21,632	(286)	425,166
Intangible right-to-use land	10		11	-	21
Intangible right-to-use building	1,296		1,335	(177)	2,454
Intangible right-to-use machinery and equipment	121		742	-	863
Intangible right-to-use infrastructure	423		423	-	846
Intangible right-to-use SBITA	-	*	4,846	-	4,846
Total accumulated depreciation/amortization	1,049,851		77,377	(17,374)	1,109,854
Total capital assets being depreciated/amortized, net	1,101,473		(22,159)	(6,651)	1,072,663
Total governmental activities capital assets, net	$ 1,953,800		$ 96,002	$ (59,395)	$ 1,990,407
Business-Type Activities:					
Capital assets not being depreciated:					
Artwork	$ 293		$ -	$ -	$ 293
Land, easements, and rights of way	247,831		86	(186)	247,731
Construction in progress	298,927		237,530	(151,050)	385,407
Total capital assets not being depreciated	547,051		237,616	(151,236)	633,431
Capital assets being depreciated/amortized:					
Buildings	677,788		1,498	(2,343)	676,943
Improvements other than buildings	686,086		32,477	-	718,563
Machinery and equipment	598,883		27,936	(11,595)	615,224
Software	8,017		-	-	8,017
Infrastructure	1,104,460		52,508	(767)	1,156,201
Intangible right-to-use machinery and equipment	70		44	(15)	99
Intangible right-to-use SBITA	4,538	*	897	-	5,435
Total capital assets being depreciated/amortized	3,079,842		115,360	(14,720)	3,180,482

Capital Assets (continued)

	Beginning Balance (as restated)		Increases	Decreases	Ending Balance
Less accumulated depreciation/amortization for:					
Buildings	262,446		14,607	(2,002)	275,051
Improvements other than buildings	444,415		29,529	-	473,944
Machinery and equipment	355,684		30,885	(10,752)	375,817
Software	7,652		133	-	7,785
Infrastructure	615,824		27,416	(399)	642,841
Intangible right-to-use machinery and equipment	25		25	(15)	35
Intangible right-to-use SBITA	-	*	1,133	-	1,133
Total accumulated depreciation/amortization	1,686,046		103,728	(13,168)	1,776,606
Total capital assets being depreciated/amortized, net	1,393,796		11,632	(1,552)	1,403,876
Total business-type activities capital assets, net	$ 1,940,847		$ 249,248	$ (152,788)	$ 2,037,307

*See note IX Other Information for detail on change in accounting principle.

Depreciation/amortization expense was charged to functions as follows (dollars in thousands):

Governmental activities:	
General government	$ 12,476
Public safety	2,146
Physical environment	2,923
Transportation	47,989
Economic environment	327
Human services	273
Culture and recreation	11,243
Total depreciation/amortization for governmental activities	$ 77,377

Business-type activities:	
Port Authority	$ 26,687
Water and Wastewater	50,823
Transportation Facilities	6,749
Solid Waste	14,795
Other non-major - Transit	4,674
Total depreciation / amortization for business-type activities	$ 103,728

Construction Commitments

The County has active construction projects as of September 30, 2023. The significant commitments for remaining contracts were as follows (dollars in thousands):

	Contract Amount	Amount Spent-to-date	Remaining Commitment	Retainage
Port Authority	$ 502,059	$ 329,696	$ 172,363	$ 8,492
Water and Wastewater	205,636	137,127	68,509	5,447
Solid Waste	31,207	4,427	26,780	90
Transportation	273,905	97,646	176,259	2,149
Other	90,204	27,483	62,721	649
Total	$ 1,103,011	$ 596,379	$ 506,632	$ 16,827

Interfund Transactions

Due To/From Other Funds

Interfund balances for the year ended September 30, 2023, consisted of the following (dollars in thousands):

	Funds Reporting Due From Balances						
	General Fund	Transportation Capital Improvements	Non-Major Gov't Funds	Water and Wastewater	Solid Waste	Internal Service Funds	Total
Funds Reporting Due To Balances:							
General Fund	$ -	$ -	$ 1,320	$ 333	$ 274	$ 421	$ 2,348
Transportation Capital Improvements	-		359	-	-	-	359
Non-Major Governmental Funds	2,130	-	649	-	-	37	2,816
Transportation Facilities	-	20,902	-	-	-	-	20,902
Solid Waste	-	-	1	-	-	-	1
Internal Service Funds	-	-	-	-	-	75	75
	$ 2,130	$ 20,902	$ 2,329	$ 333	$ 274	$ 533	$ 26,501

The majority of interfund balances as of September 30, 2023 are due to interfund billings for services and return of excess fees from the Constitutional Officers. There is one notable interfund balance of $20,902,000 for the Transportation Facilities excess toll revenue transferred at year-end to the Transportation Capital Improvements Fund.

Advances To/From other Funds

Interfund advances for the year ended September 30, 2023, consisted of the following (dollars in thousands):

	Advances From		
	General Fund	Non-Major Gov't Funds	Total
Advances To:			
Solid Waste	$ -	$ 10,000	$ 10,000
Other Non-Major Transit	5,000	-	5,000
Internal Service Funds	300	-	300
	$ 5,300	$ 10,000	$ 15,300

There were notable non-recurring advances in the amount of $10,000,000 from the Non-Major Gov't Fund (Library) to the Solid Waste Fund for temporary funding for repairs and general operations due to Hurricane Ian.

Interfund Transfers

Interfund transfers for the year ended September 30, 2023, consisted of the following (dollars in thousands):

	Funds Reporting Transfers In						
	General Fund	Transportation Capital Improvements	Non-Major Gov't Funds	Solid Waste	Other Non-Major Transit	Internal Service Funds	Total
Funds Reporting Transfers out:							
General Fund	$ -	$ 13,770	$ 79,908	$ 108	$ 16,029	$ 4,000	$ 113,815
Transportation Capital Improvements	-	-	4,600	-	924	-	5,524
Non-Major Governmental Funds	7,668	-	82,882	-	253	-	90,803
Transportation Facilities	-	20,902	-	-	-	-	20,902
Solid Waste	24	-	-	-	-	-	24
	$ 7,692	$ 34,672	$ 167,390	$ 108	$ 17,206	$ 4,000	$ 231,068

The majority of interfund transfers were for recurring annual transfers. There were notable transfers between Non-Major Governmental Funds of $22,568,000 for stadium maintenance and repairs and $30,000,000 for DOT operations. Electronic Franchise Fees in the amount of $21,620,000 were transferred out of the General Fund to Non-Major Governmental Funds.

Governmental Fund Balances

At September 30, 2023, the County's governmental fund balances were classified as follows (dollars in thousands):

	General Fund	Transportation Capital Improvements	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Inventory	$ 461	$ -	$ 3,512	$ 3,973
Advances	5,300	-	10,000	15,300
Total nonspendable	5,761	-	13,512	19,273
Restricted For:				
Improvement districts	-	-	11,811	11,811
Culture & recreation	-	-	14,607	14,607
Economic development	294	-	52,189	52,483
Health, safety & welfare	-	-	37,497	37,497
Transportation roads	-	211,382	218,477	429,859
Debt service	-	-	22,813	22,813
Court programs	-	-	3,777	3,777
Public records	-	-	4,908	4,908
Inmate welfare	-	-	814	814
Driver's education	-	-	455	455
Law enforcement activities	-	-	1,634	1,634
Total restricted	294	211,382	368,982	580,658
Committed:				
MSTU	-	-	29,332	29,332
Capital improvements	-	-	150,065	150,065
Court programs	-	-	5,234	5,234
Culture & recreation	-	-	26,133	26,133
Transportation roads	-	-	5,019	5,019
Health, safety & welfare	-	-	1,243	1,243
Total committed	-	-	217,026	217,026
Assigned to:				
General government	77,248	-	-	77,248
Public safety	1,669	-	-	1,669
Physical environment	1,354	-	-	1,354
Economic environment	1,699	-	-	1,699
Human services	4,778	-	-	4,778
Culture & recreation	295	-	-	295
Economic development	3,656	-	-	3,656
Subsequent year's budget	15,482	-	-	15,482
Total assigned	106,181	-	-	106,181
Unassigned:	57,450	-	(3,868)	53,582
Total fund balances	$ 169,686	$ 211,382	$ 595,652	$ 976,720

Long-Term Obligations

Revenue Bonds

The County issued revenue bonds for both governmental and business-type activities. The descriptions and balances of the outstanding revenue bonds as of September 30, 2023, were as follows:

Governmental Activities

The Tourist Development Tax Revenue Bonds were issued for the construction and capital improvements of the Hammond and the JetBlue baseball stadiums. The bonds are secured by a lien on and a pledge of tourist development tax, gross revenues of the baseball stadiums, and investment earnings. For the current year, pledged revenues collected were $38,406,000. The total principal and interest paid for the current year was $5,899,000. The total principal and interest remaining to be paid is $158,566,000.

Issue	Maturity	Interest Rate	Effective Interest Rate	Amount Issued	Outstanding Balances
Tourist Development Tax Revenue Bonds, Series 2013 (Partially Refunded October 3, 2019)	2043	3.00% to 5.00%	4.02%	$ 41,475,000	$ 33,975,000
Tourist Development Tax Refunding Revenue Bonds, Series 2019A	2033	3.00% to 5.00%	2.52%	30,865,000	27,985,000
Tourist Development Tax Refunding Revenue Bonds, Series 2019B	2040	3.00% to 4.00%	3.22%	35,820,000	35,820,000
Tourist Development Tax Refunding Revenue Bonds, Series 2019C	2043	2.18% to 3.50%	4.21%	8,520,000	8,350,000
					$ 106,130,000

Non-Ad Valorem bonds are secured by a lien on and a pledge of non-ad valorem funds including ambulance service receipts, building permits, zoning fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax. Principal and interest paid for the current year and pledged revenues collected were $14,151,000 and $175,368,000, respectively. The total principal and interest remaining to be paid is $58,468,000.

Issue	Maturity	Interest Rate	Effective Interest Rate	Amount Issued	Outstanding Balances
Non-Ad Valorem Refunding Revenue Bonds, Series 2012	2024	2.00% to 5.00%	2.21%	$ 48,385,000	$ 18,445,000
Non-Ad Valorem Refunding Revenue Bonds, Series 2015	2026	5.00%	3.18%	48,640,000	34,470,000
					$ 52,915,000

Local Option Gas Tax bonds are secured by a lien on and a pledge of the Local Option Gas Tax Revenues. Principal and interest paid for the current year and pledged revenues collected were $4,757,000 and $21,943,000, respectively. The total principal and interest remaining to be paid is $183,128,000.

Issue	Maturity	Interest Rate	Effective Interest Rate	Amount Issued	Outstanding Balances
Local Option Gas Tax Revenue Bonds, Series 2022	2049	4.25% to 5.25%	4.27%	$ 90,480,000	$ 90,480,000

Business-Type Activities

The Airport Revenue Bonds were issued for various capital projects. The bonds are secured by a lien on and a pledge of net revenues of the Southwest Florida International Airport. Principal and interest paid for the current year and pledged revenues collected were $23,788,000 and $71,570,000, respectively. The total principal and interest remaining to be paid is $611,649,000.

Issue	Maturity	Interest Rate	Effective Interest Rate	Amount Issued	Outstanding Balances
Airport Revenue Refunding Bonds, Series 2015	2033	5.00%	4.65%	$ 33,425,000	$ 33,425,000
Airport Revenue Refunding Bonds, Series 2021A	2032	5.00%	1.42%	139,560,000	139,560,000
Airport Revenue Bonds, Series 2021B	2051	4% to 5.00%	3.06%	217,670,000	215,825,000
					$ 388,810,000

The Water and Sewer Revenue Bonds were issued for various capital projects. The bonds are secured by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. Principal and interest paid for the current year and net pledged revenues collected were $15,133,000 and $44,483,000 respectively. The total principal and interest remaining to be paid is $143,622,000.

Issue	Maturity	Interest Rate	Effective Interest Rate	Amount Issued	Outstanding Balances
Water and Sewer Revenue Bonds, Series 2013A (Partially Refunded December 19, 2019)	2024	2.00% to 5.00%	3.48%	$ 53,755,000	$ 2,655,000
Water and Sewer Refunding Revenue Bonds, Series 2013B	2027	2.00% to 5.00%	4.45%	39,440,000	17,365,000
Water and Sewer Refunding Revenue Bonds, Series 2019	2043	1.69% to 3.30%	3.17%	104,835,000	100,220,000
					$ 120,240,000

The Transportation Facilities Revenue Bonds were issued for various capital projects. The bonds are secured by a lien on and pledge of the net revenues of the Sanibel Bridge, Cape Coral Bridge, and Midpoint Memorial Bridge Facilities. Principal and interest paid for the current year and net pledged revenues collected were $9,782,000 and $27,444,000, respectively. The total principal and interest remaining to be paid is $83,428,000.

Issue	Maturity	Interest Rate	Effective Interest Rate	Amount Issued	Outstanding Balances
Transportation Facilities Refunding Revenue Bonds, Series 2014	2035	2.00% to 5.00%	3.18%	$ 106,570,000	$ 66,400,000

The Solid Waste Revenue Bonds were issued for various capital projects. The bond is secured by a lien on and a pledge of net revenues of the Lee County Solid Waste System. Principal and interest paid for the current year and net pledged revenues collected (excluding Hurricane Ian related expenses) were $8,407,000 and $33,231,000, respectively. The total principal and interest remaining to be paid is $33,622,000.

Issue	Maturity	Interest Rate	Effective Interest Rate	Amount Issued	Outstanding Balances
Solid Waste System Refunding Revenue Bonds, Series 2016	2026	2.00% to 5.00%	2.05%	$ 66,160,000	$ 30,480,000

The annual debt service requirements for revenue bonds at September 30, 2023, were as follows (dollars in thousands):

	Governmental Activities		Business-type Activities		Total	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 13,535	$ 11,196	$ 40,555	$ 25,870	$ 54,090	$ 37,066
2025	14,905	10,493	42,350	24,024	57,255	34,517
2026	16,765	9,716	45,950	22,058	62,715	31,774
2027	17,700	8,869	47,995	19,966	65,695	28,835
2028	4,540	8,363	40,780	17,993	45,320	26,356
2029-2033	27,705	38,227	153,435	68,109	181,140	106,336
2034-2038	38,510	31,162	78,230	39,908	116,740	71,070
2039-2043	53,665	22,224	53,305	28,334	106,970	50,558
2044-2048	51,975	9,859	53,795	16,070	105,770	25,929
2049-2052	10,225	528	49,535	4,059	59,760	4,587
Total	$ 249,525	$ 150,637	$ 605,930	$ 266,391	$ 855,455	$ 417,028

	Port Authority		Water and Wastewater		Transportation Facilities		Solid Waste	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 14,750	$ 18,156	$ 11,860	$ 3,352	$ 6,880	$ 3,015	$ 7,065	$ 1,347
2025	15,490	17,400	12,220	2,977	7,215	2,662	7,425	985
2026	17,965	16,564	12,610	2,597	7,580	2,292	7,795	605
2027	18,865	15,643	12,980	2,214	7,955	1,904	8,195	205
2028	19,805	14,676	12,615	1,821	8,360	1,496	-	-
2029-2033	105,370	57,946	31,470	5,409	16,595	4,754	-	-
2034-2038	55,495	35,575	10,920	3,428	11,815	905	-	-
2039-2043	40,545	26,796	12,760	1,538	-	-	-	-
2044-2048	50,990	16,024	2,805	46	-	-	-	-
2049-2052	49,535	4,059	-	-	-	-	-	-
Total	$ 388,810	$ 222,839	$ 120,240	$ 23,382	$ 66,400	$ 17,028	$ 30,480	$ 3,142

Bond Resolutions

The resolutions for the following bonds established certain accounts and determined the order in which certain revenues are to be deposited into those accounts. In addition, there are various other covenants established by the official statements and County resolutions, including such items as debt service coverage, reporting requirements, and maintenance of facilities. Management believes that it has complied, in all material respects, with these covenants. All required balances at September 30, 2023, were maintained on all issues. The following issues are still outstanding:

Revenue Bonds

Local Option Gas Tax Revenue Bonds, Series 2022
Tourist Development Tax Revenue Bonds, Series 2013
Tourist Development Tax Refunding Revenue Bonds, Series 2019A
Tourist Development Tax Refunding Revenue Bonds, Series 2019B
Tourist Development Tax Refunding Revenue Bonds, Series 2019C
Non-Advalorem Refunding Revenue Bonds, Series 2012
Non-Advalorem Refunding Revenue Bonds, Series 2015
Airport Revenue Refunding Bonds, Series 2015
Airport Revenue Refunding Bonds, Series 2021A
Airport Revenue Bonds, Series 2021B
Water and Sewer Revenue Bonds, Series 2013A
Water and Sewer Refunding Revenue Bonds, Series 2013B
Water and Sewer Refunding Revenue Bonds, Series 2019
Transportation Facilities Refunding Revenue Bonds, Series 2014
Solid Waste System Refunding Revenue Bonds, Series 2016

Defeased Bonds

The County defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. The amount of defeased bonds outstanding at September 30, 2023, consisted of the following:

Tourist Development Tax Revenue Bonds, Series 2013	$	7,500,000
Water and Sewer Revenue Bonds, Series 2013A		42,150,000

Variable Debt

Direct Borrowing – Governmental Activities

The County entered into a $3,744,000 non-revolving line of credit agreement on May 5, 2022 with a final maturity on May 5, 2024 with a commercial bank. The line of credit is to be used for initial financing of MSBU projects that are later secured with long-term financing, at an interest rate of 79 percent of Secured Overnight Financing Rate (SOFR) plus 103 basis points, but not less than 1.07 percent or greater than the maximum interest rate provisions of Section 215.84, Florida Statutes. Interest payments began June 1, 2022, and will be paid monthly on the unpaid balance until final maturity on May 5, 2024. Principal for all draws made against the line of credit is due on May 5, 2024. The County covenanted to budget and appropriate legally available non-ad valorem revenues. There was no outstanding balance as of September 30, 2023 and no interest was incurred during the current year. The unused line of credit as of September 30, 2023 was $3,744,000.

The line of credit contains a provision in the event of default of non-payment for ten days of the scheduled payment date, the loan will bear an interest at the maximum lawful default rate. The default rate will remain in effect until the default is cured by the County.

The County entered into a $150,000,000 revolving line of credit agreement on December 8, 2022 with a final maturity on December 1, 2025 with a commercial bank. The line of credit is to be used to finance and refinance various capital improvements, repairs and other extraordinary expenditures resulting from Hurricane Ian damages, at an interest rate of 80 percent of daily Secured Overnight Financing Rate (SOFR) plus 52 basis points. On September 30, 2023, the interest rate was 4.768 percent. Interest payments began on January 1, 2023, and will be paid monthly on the unpaid balance until final maturity on December 1, 2025. The unused portion of the line of credit is subject to a non-refundable fee currently at .20 percent per annum for each day the line is unused. The fee will be assessed for any day the unused available credit is equal to or greater than 75 percent total credit line from December 8, 2022 through June 30, 2023 and 50 percent from July 1, 2023 to the final maturity. The applicable margins for the interest rate and credit facility fee is based on the table below.

Interest Applicable Margin and Applicable Credit Facility Fee Margin - rate per annum associated set forthin the table below opposite the long term, senior, non-credit enhanced debt rating of the County's covenant to budget and appropriate non-ad valorem revenue debt (or if no such rating, the County's general obligation debt). In the case of a split rating, the lowest rating will apply.

Level	Moody's Rating	S&P Rating	Fitch Rating	Interest Rate Applicable Margin	Applicable Credit Facility Fee Margin
Level 1	Aa1/Aa2/Aa3	AA+/AA/AA-	AA+/AA/AA-	52bp	20bp
Level 2	A1/A2	A+/A	A+/A	62bp	20bp
Level 3	A3	A-	A-	72bp	25bp
Level 4	Baa1	BBB+	BBB+	82bp	35bp
Level 5	Baa2	BBB	BBB+	92bp	35bp
Level 6	Baa3	BBB	BBB-	692bp	N/A
Level 7	Below Baa3	Below BBB	Below BBB-	692bp	N/A

Principal for all draws made against the line of credit is due on December 1, 2025. The County covenanted to budget and appropriate legally available non-ad valorem revenues. The outstanding balance as of September 30, 2023 was $250,000. Interest incurred during the current year was $9,000. The unused line of credit as of September 30, 2023 was $149,750,000.

If an event of default occurs, the notes shall bear interest at the applicable interest rate plus 6 percent per annum until the default is cured to the satisfaction of the lender. A late fee equal to 4 percent of the amount due will be assessed if the amount due is not paid within 15 days of the due date.

Direct Borrowing – Business-Type Activities

The Port Authority entered into a $50,000,000 taxable subordinate revolving credit facility agreement on May 6, 2020 with a final maturity on May 6, 2025 with a commercial bank. The line of credit is to be used to finance certain airport-related capital projects. On November 4, 2022 the agreement was amended to extend the maturity to November 4, 2027, and to change the interest rate basis from London Interbank Offered Rates ("LIBOR") to Bloomberg Short-Term Bank Yield index rate ("BSBY"). The rate is based on the bond rating and the current rate is the one month BSBY rate plus .61 percent. On September 30, 2023, the rate was 5.99 percent. Interest payments began on June 1, 2020, and will be paid monthly on the unpaid balance until final maturity on November 4, 2027.

The unused portion of the line of credit is subject to a non-refundable fee currently at .25 percent per annum for each day the line is unused. No fee will be issued on the days either the advances are suspended or the outstanding principal is greater than 50 percent of the maximum principal amount. The applicable margins for the interest rate and credit facility fee is based on the table below.

Interest Applicable Margin and Applicable Credit Facility Fee Margin - rate per annum associated with the Level corresponding to the lowest long-term unenhanced debt rating assigned by:

Level	Moody's Rating	S&P Rating	Fitch Rating	Interest Rate Applicable Margin	Applicable Credit Facility Fee Margin
Level 1	A2 or above	A or above	A or above	0.61%	0.25%
Level 2	A3	A-	A-	0.68%	0.30%
Level 3	Baa1	BBB+	BBB+	0.87%	0.35%
Level 4	Baa2	BBB	BBB	1.18%	0.45%
Level 5	Baa3 or below	BBB- or below	BBB- or below	Default Rate	Default Rate

Default rate is 4% per annum

Principal for all draws made against the line of credit is due on November 4, 2027. The line of credit is solely collateralized by a lien on and a pledge of the net revenues of Southwest Florida International Airport. On September 30, 2023, there was no outstanding balance and the unused line of credit was $50,000,000. Interest paid for the current year was $295,000.

If an event of default occurs, the notes shall bear interest at the applicable interest rate plus 4 percent per annum until the default is cured to the satisfaction of the lender. A late fee equal to 4 percent of the amount due will be assessed if the amount due is not paid within 15 days of the due date.

The annual debt service requirements for variable debt at September 30, 2023, were as follows (dollars in thousands):

Fiscal Year(s)	Governmental Activities Principal	Interest
2024	$ -	$ 12
2025	-	12
2026	250	2
	$ 250	$ 26

Notes Payable

Direct Borrowing - Governmental Activities

The County has entered into loan agreements with three commercial banks to provide long-term financing for certain capital projects. The loans are collateralized by special assessments levied against the benefited property owners of certain MSBU of the County. Interest is payable semi-annually. Principal is payable in equal annual installments maturing in fiscal years 2023 through 2036. Principal and interest paid for the current year and pledged revenues collected were $813,000 and $524,000, respectively. The total principal and interest remaining to be paid is $2,321,000.

The loans contain a provision in the event of default of non-payment for ten days of the scheduled payment date, the loan will bear an interest at the default rate of the lessor of 5 percent in excess of the bank's prime rate or the maximum legal interest rate. The default rate will remain in effect until the default is cured by the County.

Issue	Issue Date	Interest Rate	Amount Issued	Outstanding Balances
Emily Lane	August 19, 2009	4.85%	$ 457,000	$ 25,000
McGregor Villages	June 23, 2010	4.06%	116,000	9,000
San Carlos	June 30, 2010	3.85%	458,000	43,000
Cherry Estates	November 4, 2014	4.16%	1,985,000	615,000
Harbor Drive	February 8, 2017	4.12%	476,000	161,000
Western Acres	February 8, 2017	4.12%	808,000	175,000
Cherry Estates Side Streets	February 28, 2019	4.86%	211,000	145,000
Oak Creek Road Repaving	October 3, 2019	4.51%	163,000	100,000
Burgundy Farm Road Paving	April 9, 2020	4.51%	286,000	201,000
Marina/Coral Circle Canal	December 17, 2020	3.52%	243,000	210,000
Sunset Cove Channel	December 17, 2020	3.04%	180,000	144,000
Telegraph Creek	November 5, 2021	3.51%	184,000	166,000
				$ 1,994,000

Direct Borrowing – Business-type Activities

The Lee County Water and Wastewater System entered into agreements with the Florida Department of Environmental Protection to borrow funds for various capital projects. The loans are secured solely by a pledge of the net revenues of the Lee County Water and Wastewater System after the satisfaction of annual debt obligations of the senior debt. Loan payments are due semi-annually. Principal and interest paid for the current year and pledged revenues collected were $2,851,000 and $44,683,000, respectively. The total principal and interest remaining to be paid is $38,944,000.

In the event of default, the State may by action or suit require a full accounting, apply to a court of competent jurisdiction to appoint a receiver, sue for payment of amounts due, intercept the delinquent amount plus a penalty from unobligated funds due to the Local Government under any revenue or tax sharing fund (except as provided by the State Constitution), and impose a penalty not to exceed 18 percent per annum, and accelerate repayment schedule or increase the financing rate on unpaid principal to as much as 1.667 times the financing rate.

Issue	Purpose	Maturity	Interest Rate	Loan Amount Issued	Outstanding Balances
Clean Water State Revolving Fund Construction Loan Agreement WW360200 Executed December 4, 2015	Three Oaks Wastewater Treatment Plant Oxidation Ditch Improvements	2038	0.95%	$ 28,002,000	$ 22,150,000
Drinking Water State Revolving Fund Construction Loan Agreement DW3602A0 Executed February 28, 2017	Advanced Water Meter Installation project	2035	1.08%	18,107,000	14,140,000
					$ 36,290,000

Direct Placement – Business-type Activities

The Lee County Water and Wastewater System entered into loan agreements with a commercial bank to refund the County's Drinking Water State Revolving Loan Agreement DW3610 010 and Clean Water State Revolving Loan Agreement WW 392330. The loans are secured solely by a pledge of the net revenues of the Lee County Water and Wastewater System. Loan payments are due semi-annually April 1st and November 1st. Principal and interest paid for the current year and pledged revenues collected were $4,189,000 and $44,683,000, respectively. The total principal and interest remaining to be paid is $20,948,000.

In an event of default occurs, the amount not paid when due shall bear interest at the rate of 3.00 percent above the interest rate then in effect. In the event a payment of principal or interest is not made on or before 90 days of its due date, the rate of interest on all outstanding principal shall be at the rate of 3.00 percent above the interest rate then in effect until payment default has been cured.

Issue	Maturity	Interest Rate	Amount Issued	Outstanding Balances
Water and Sewer Refunding Revenue Bond, Series 2021A	2028	0.99%	$ 10,460,000	$ 7,547,000
Water and Sewer Refunding Revenue Bond, Series 2021B	2028	1.00%	17,791,000	12,838,000
				$ 20,385,000

The annual debt service requirements for notes payable at September 30, 2023, were as follows (dollars in thousands):

	Governmental Activities		Business-type Activities		Total	
	Direct Borrowings and Direct Placements		Direct Borrowings and Direct Placements		Direct Borrowings and Direct Placements	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 380	$ 80	$ 6,491	$ 550	$ 6,871	$ 630
2025	330	65	6,557	485	6,887	550
2026	271	52	6,621	419	6,892	471
2027	230	41	6,688	352	6,918	393
2028	200	31	6,755	285	6,955	316
2029-2033	531	54	13,384	870	13,915	924
2034-2038	52	4	9,413	253	9,465	257
2039-2043	-	-	766	3	766	3
	$ 1,994	$ 327	$ 56,675	$ 3,217	$ 58,669	$ 3,544

Financed Purchase Obligations

The County had various financed purchase obligations outstanding at September 30, 2023 for equipment and vehicles:

Governmental Activities

Various financed purchase obligations collateralized by equipment and vehicles with total installments of $1,824,000 during the fiscal year with interest rates ranging from 1.48 percent to 3.89 percent. Outstanding maturities range from 2026 to 2027. The outstanding balance as of September 30, 2023 is $5,870,000.

Total Governmental Activities Financed Purchase Obligations Payable	$5,870,000

Business-Type Activities

Two financed purchase obligations collateralized by vehicles with total installments of $2,161,000 during the fiscal year with interest rates ranging from 2.48 percent to 3.41 percent and final maturities in 2028. Total outstanding balance as of September 30, 2023 is $1,227,000.

Total Business-Type Activities Financed Purchase Obligations Payable	$1,227,000

Future principal and interest payments of financed purchase obligations as of September 30, 2023 were as follows (dollars in thousands):

	Governmental Activities		Business-Type Activities		Total	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 1,463	$ 143	$ 300	$ 37	$ 1,763	$ 180
2025	1,499	107	308	29	1,807	136
2026	1,534	72	318	19	1,852	91
2027	1,374	35	148	10	1,522	45
2028	-	-	153	5	153	5
	$ 5,870	$ 357	$ 1,227	$ 100	$ 7,097	$ 457

Leases Payable

The County is currently committed to various non-cancellable leases of land, buildings, equipment and infrastructure with terms in excess of one year. The leases payable for Governmental and Business-type Activities at September 30, 2023, were as follows:

Governmental Activities

Land – During the fiscal year, the County paid $10,000 related to various land leases with an interest rate of 4.40 percent, with term dates ending in 2025. $12,000

Buildings – During the fiscal year, the County paid $1,067,000 related to various building leases with interest rates from 4.00 percent to 4.53 percent, with term dates ranging from 2023 to 2038. Variable costs associated with these building leases were $15,000 for the year.	9,805,000
Equipment - During the fiscal year, the County paid 1,077,000 related to various equipment leases with interest rates from 3.37 percent to 7.74 percent, with term dates ranging from 2024 to 2029.	3,678,000
Infrastructure – During the fiscal year, the County paid $73,000 related to various infrastructure leases with an interest rate of 4.40 percent, with term dates ranging from 2034 to 2050.	10,097,000
Total Governmental Activities Leases Payable	$23,592,000

Business-Type Activities

Equipment – During the fiscal year, the County paid $24,000 related to various equipment leases with interest rates from 4.40 percent to 4.76 percent, with term dates of 2026.	$66,000
Total Business-Type Activities Leases Payable	$66,000

The future principal and interest lease payments as of September 30, 2023, were as follows (dollars in thousands):

	Governmental Activities		Business-type Activities		Total	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 1,838	$ 1,048	$ 36	$ 2	$ 1,874	$ 1,050
2025	1,903	961	18	1	1,921	962
2026	1,981	870	12	-	1,993	870
2027	1,606	776	-	-	1,606	776
2028	874	700	-	-	874	700
2029 - 2033	4,260	2,928	-	-	4,260	2,928
2034 - 2038	3,581	2,080	-	-	3,581	2,080
2039 - 2043	4,323	1,235	-	-	4,323	1,235
2044 - 2048	2,333	413	-	-	2,333	413
2049 - 2051	893	45	-	-	893	45
Total	$ 23,592	$ 11,056	$ 66	$ 3	$ 23,658	$ 11,059

Subscription-Based Information Technology Arrangements (SBITAs) Payable

The County is currently committed to various non-cancellable subscription-based information technology arrangements (SBITAs) with terms in excess of one year. The SBITAs payable for Governmental and Business-type Activities at September 30, 2023, were as follows:

Governmental Activities

During the fiscal year, the County paid $5,079,000 in principal related to various SBITAs with interest rates of 4.53 percent, with term dates ending in 2028.	$11,783,000

Business-Type Activities

During the fiscal year, the County paid $1,143,000 in principal related to various SBITAs with interest rates ranging from 4.53 percent to 4.76 percent, with term dates ending in 2027.	$4,068,000

The future principal and interest SBITA payments as of September 30, 2023, were as follows (dollars in thousands):

	Governmental Activities		Business-type Activities		Total	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 4,574	$ 499	$ 1,205	$ 179	$ 5,779	$ 678
2025	4,295	320	1,111	122	5,406	442
2026	1,725	125	962	70	2,687	195
2027	1,105	54	790	25	1,895	79
2028	84	4	-	-	84	4
Total	$ 11,783	$ 1,002	$ 4,068	$ 396	$ 15,851	$ 1,398

Other Obligations

Self-Insurance Claims Payable

Self-insurance claims payable are fully described in Note IX. Since the self-insurance activity is accounted for in an internal service fund, it has been categorized in the governmental activities on the government-wide Statement of Net Position. The balance at September 30, 2023, consisted of the following (dollars in thousands):

Self-insurance group health & dental	$ 8,528
Sheriff internal service fund	2,670
Self-insurance general liability	11,637
Total self-insurance claims payable	$ 22,835

Arbitrage Rebate Payable

Any excess interest earnings on tax-exempt bond proceeds must be remitted to the federal government in five-year intervals. Even though a payment may not be required until several years into the future, the liability is recorded in both governmental and business-type activities. The obligation as of September 30, 2023, is $3,028,000.

Changes in Long-Term Debt

Changes in bonded and other indebtedness of the County for the year ended September 30, 2023, were as follows (dollars in thousands):

Governmental Activities:	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Revenue bonds	$ 262,350	$ -	$ (12,825)	$ 249,525	$ 13,535
Less/plus deferred amounts:					
Unamort discount/premium	21,701	-	(2,470)	19,231	-
Total bonds payable	284,051	-	(15,295)	268,756	13,535
Direct borrowing and direct placement notes payable	2,698	-	(704)	1,994	380
Direct borrowing - variable debt	-	250	-	250	-
Self-insurance claims payable	22,683	122,406	(122,254)	22,835	12,955
Arbitrage rebate payable	-	811	-	811	-
Financed purchase obligations	7,018	486	(1,634)	5,870	1,463
Leases payable	19,559	6,829	(2,796)	23,592	1,838
SBITAs payable	7,694 *	9,168	(5,079)	11,783	4,574
Compensated absences	33,760	31,934	(28,083)	37,611	12,304
Total governmental activity long-term liabilities	$ 377,463	$ 171,884	$ (175,845)	$ 373,502	$ 47,049

Other long-term liabilities are typically liquidated by the individual fund to which the liability is directly associated. The liability for compensated absences is liquidated primarily by the General Fund, with other governmental funds and internal service funds liquidating less than 10 percent each on an annual basis. The entire claims liability is reported in the Self-Insurance Group Health and Dental Fund and will be liquidated by that fund.

Business-Type Activities:	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due Within One Year
Port Authority					
Bonds payable:					
Revenue bonds	$ 393,945	$ -	$ (5,135)	$ 388,810	$ 14,750
Less/plus deferred amounts:					
Unamort discount/premium	71,565	-	(7,293)	64,272	-
Total bonds payable	465,510	-	(12,428)	453,082	14,750
Direct borrowing - variable debt	9,008	-	(9,008)	-	-
Arbitrage rebate payable	-	2,217	-	2,217	-
Leases payable	46	44	(24)	66	36
SBITAs payable	1,843 *	673	(682)	1,834	666
Compensated absences	2,187	2,089	(1,973)	2,303	1,569
Total Port Authority long-term liabilities	$ 478,594	$ 5,023	$ (24,115)	$ 459,502	$ 17,021
Water and Wastewater					
Bonds payable:					
Revenue bonds	$ 131,575	$ -	$ (11,335)	$ 120,240	$ 11,860
Less/plus deferred amounts:					
Unamort discount/premium	981	-	(327)	654	-
Total bonds payable	132,556	-	(11,662)	120,894	11,860
Direct borrowing and direct placement notes payable	63,100	-	(6,425)	56,675	6,491
Financed purchase obligations	677	843	(293)	1,227	300
SBITAs payable	2,695 *	-	(461)	2,234	539
Compensated absences	1,622	2,590	(2,209)	2,003	108
Total Water and Wastewater long-term liabilities	$ 200,650	$ 3,433	$ (21,050)	$ 183,033	$ 19,298

Changes in Long-Term Debt (continued)

	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due Within One Year
Transportation Facilities					
Bonds payable:					
Revenue bonds	$ 72,835	$ -	$ (6,435)	$ 66,400	$ 6,880
Less/plus deferred amounts:					
Unamort discount/premium	5,593	-	(1,012)	4,581	-
Total bonds payable	78,428	-	(7,447)	70,981	6,880
Compensated absences	389	484	(459)	414	22
Total Transportation Facilities long-term liabilities	$ 78,817	$ 484	$ (7,906)	$ 71,395	$ 6,902
Solid Waste					
Bonds payable:					
Revenue bonds	$ 37,195	$ -	$ (6,715)	$ 30,480	$ 7,065
Less/plus deferred amounts:					
Unamort discount/premium	2,289	-	(884)	1,405	-
Total bonds payable	39,484	-	(7,599)	31,885	7,065
Landfill closure & postclosure costs	25,991	-	(2,021)	23,970	-
Compensated absences	604	896	(784)	716	38
Total Solid Waste long-term liabilities	$ 66,079	$ 896	$ (10,404)	$ 56,571	$ 7,103
Other Non-Major - Transit					
Compensated absences	$ 794	$ 1,331	$ (1,258)	$ 867	$ 47
Total Other Non-Major long-term liabilities	$ 794	$ 1,331	$ (1,258)	$ 867	$ 47
Total Business-Type Activities					
Bonds payable:					
Revenue bonds	$ 635,550	$ -	$ (29,620)	$ 605,930	$ 40,555
Less/plus deferred amounts:					
Unamort discount/premium	80,428	-	(9,516)	70,912	-
Total bonds payable	715,978	-	(39,136)	676,842	40,555
Direct borrowing - variable debt	9,008	-	(9,008)	-	-
Direct borrowing and direct placement notes payable	63,100	-	(6,425)	56,675	6,491
Total variable debt and notes payable	72,108	-	(15,433)	56,675	6,491
Landfill closure & postclosure costs	25,991	-	(2,021)	23,970	-
Arbitrage rebate payable	-	2,217	-	2,217	-
Financed purchase obligations	677	843	(293)	1,227	300
Leases payable	46	44	(24)	66	36
SBITAs payable	4,538 *	673	(1,143)	4,068	1,205
Compensated absences	5,596	7,390	(6,683)	6,303	1,784
Total business-type activity long-term liabilities	$ 824,934	$ 11,167	$ (64,733)	$ 771,368	$ 50,371

*See note IX Other Information for detail on change in accounting principle.

NOTE VI. SEGMENT INFORMATION

Segment Information- Port Authority

The County has outstanding revenue bonds which are financed by Southwest Florida International Airport revenues. These activities, and the activities of the Page Field General Aviation and other Port Authority activities, are accounted for in a single fund (Lee County Port Authority). Summary financial information for the Southwest Florida International Airport is presented below (dollars in thousands) as of September 30, 2023.

	Southwest Florida International Airport
Condensed Statement of Net Position	
Assets	
Current assets	$ 150,179
Restricted assets	148,144
Noncurrent assets	43,529
Capital assets (net)	841,557
Total assets	1,183,409
Deferred outflows of resources	20,960
Liabilities	
Current liabilities	23,494
Current liabilities payable from restricted assets	54,444
Noncurrent liabilities	523,525
Total liabilities	601,463
Deferred inflows of resources	73,016
Net position	
Net investment in capital assets	522,016
Restricted	20,007
Unrestricted	(12,133)
Total net position	$ 529,890
Condensed Statement of Revenues, Expenses, and Changes in Net Position	
Operating revenues	
User fees	$ 50,289
Rentals	5,642
Concessions	57,169
Miscellaneous	383
Less: Rebates	(4,598)
Total operating revenues	108,885
Operating expenses	
Depreciation	23,115
Other operating expenses	95,004
Total operating expenses	118,119
Operating loss	(9,234)

Segment Information- Port Authority (continued)

	Southwest Florida International Airport
Non-operating revenues (expenses)	
Investment earnings	15,110
Interest expense	(12,173)
Other non-operating	27,358
Total non-operating revenues (expenses)	30,295
Income before capital contributions and transfers	21,061
Capital contributions	15,802
Special item - loss on discontinued project	(74,725)
Transfers	(2,190)
Change in net position	(40,052)
Beginning net position	569,942
Ending net position	$ 529,890
Condensed Statement of Cash Flows	
Net cash provided (used) by:	
Operating activities	$ 16,290
Noncapital financing activities	17,613
Capital and related financing activities	(145,167)
Investing activities	15,102
Net decrease	(96,162)
Beginning cash, cash equivalents and investments	368,861
Ending cash, cash equivalents and investments	$ 272,699

Certain funds that relate to activities at both the Southwest Florida International Airport and Page Field are not included in the segmented statements, including the K-9 donation fund and the discretionary fund. In addition, all of the funds related to the passenger facility charges and Page Field activities are omitted from the segmented statements.

NOTE VII. OTHER POSTEMPLOYMENT BENEFITS

The County maintains two single-employer, defined benefit other postemployment benefits plans ("OPEB"), the Group Health Program for Lee County administered by Aetna and the Lee County Sheriff Health Care Plan administered by the Self-Insured Benefit Administrator.

Pursuant to provisions of Section 112.08, *Florida Statutes*, former employees and eligible dependents who retire from the local government unit may continue to participate in the group or self-insurance plan for comprehensive health and hospitalization at a premium cost not to exceed the premium cost for active employees. Contribution requirements of the County and Sheriff Office are established and may be amended by the employer.

Group Health Program for Lee County

Plan Description

The Group Health Program for Lee County ("GHPLC") provides medical, dental, vision and life insurance benefits (OPEB) to County retirees and their spouses. All the Constitutional Officers, except the Lee County Sheriff, and the Lee County Tax Collector participate in GHPLC. Effective January 1, 2024 the Lee County Tax Collector terminated their participation in the plan. At October 1, 2023, the date of the latest actuarial valuation, plan participation consisted of 3,871 current active plan members, 966 retirees and 385 eligible dependents receiving postemployment health care benefits. In addition, Medicare eligible retirees and their Medicare eligible dependents may enroll in the Medicare Advantage Plan (MAP), a fully funded insurance plan administered by Aetna.

A publicly available financial report that includes financial statements and required supplementary information is not available for this plan.

Funding Policy

The County subsidizes the premium rates paid by retirees by allowing them to participate at blended premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, retiree claims are expected to result in higher costs to the plan on average than those of active employees. On October 1, 2018, the County, and on January 1, 2020, the Port Authority reinstated the subsidy program that had been discontinued on October 1, 2008. The subsidy program offers retirees with six or more years of consecutive employment prior to retirement a direct subsidy of 60 percent for MAP participants and 50 percent for Aetna participants. A $96 discount is applied for plan members enrolled in Medicare Part B for the self-insurance plan. No discount is offered for MAP. The same subsidy is offered to the Constitutional Officers that participate in the plan with the exception of the Clerk of Circuit Court who requires retirees to have eight or more years of consecutive employment prior to retirement. Vision and dental insurance are offered to retirees; however, they are not subsidized by the County. The plan also allows retirees the option to continue to participate in the GHPLC life insurance policy. The life insurance is only available to the retiree, and has a face value of $5,000. The following table summarizes the retirees' monthly contribution rates for 2023. The Plan is funded on a pay-as-you-go basis. No trust fund has been established for the plan.

	General Employee Retirees after subsidy		General Employee Retirees without subsidy	
	Aetna	MAP	Aetna	MAP
Medical/ Prescriptions:				
Retiree Only				
Pre 65 Years Old	$590	N/A	$1,180	N/A
Medicare Eligible	494	125	987	312
Retiree plus Spouse				
Pre 65 Years Old	988	N/A	1,975	N/A
Medicare Eligible	795	250	1,589	624
Retiree Plus dependent				
Pre 65 Years Old	973	N/A	1,945	N/A
Medicare Eligible	780	250	1,559	624
Retiree plus family				
Pre 65 Years Old	995	N/A	1,990	N/A
Medicare Eligible (3) (spouse + one dep)	802	374	1,604	936
Life:				
Individual Coverage	13		13	
Spouse	N/A		N/A	

Actuarial Methods and Assumptions

At September 30, 2023, the County's GHPLC total OPEB liability of $298,106,000 was measured as of September 30, 2023, and was determined by an actuarial valuation as of that date. The following actuarial assumptions and other inputs were applied to all periods included in the measurement:

Inflation Rate	2.50%
Salary Increases	N/A
Discount Rate	4.09%
Healthcare Cost Trend Rate	8.30% pre 65
	8.90% post 65
	14.60% MAP
Retirees' share of benefit cost, percent of premium:	
Subsidy Eligible	40% MAP
	50% Aetna

The discount rate was based on the 20 Year Municipal Bond Rate at September 30, 2023, in the Bond Buyer GO 20-Bond Municipal Bond Index. The discount rate changed from 4.02 percent at September 30, 2022.

Mortality rates were based on the PUBG.H-2010 and PUBS.H-2010 Tables for employees and retirees projected generationally with Scale MP-2021 and PUBG.H-2010SB Tables for survivor beneficiaries projected generationally with Scale MP-2021.

Changes in assumptions also included a shift in the future medical plan election for new Medicare eligible retirees, expected claims costs and premiums were updated to reflect actual claims experience and known premiums and health care cost trend rates were updated to reflect recent experience and expectations.

The actuarial assumptions used in the September 30, 2023 valuation were based on the results of an actuarial experience study for the period October 1, 2022 through September 30, 2023.

The rationales for selecting each of the assumptions used in the financial accounting valuation and for the assumption changes summarized above are to best reflect the current market conditions and recent plan experience.

Changes in the Total OPEB Liability

Balance at September 30, 2022	$320,501,000
Changes for the year:	
Service Cost	15,225,000
Interest	13,367,000
Changes of Benefit Terms	(14,389,000)
Difference between Expected and Actual Experience	(13,404,000)
Changes in Assumptions	(16,695,000)
Benefit Payments	(6,499,000)
Net Changes	(22,395,000)
Balance at September 30, 2023	$298,106,000

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 percent higher or 1 percent lower than the current discount rate.

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
OPEB Liability	$ 346,253,000	$ 298,106,000	$ 259,120,000

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 trend rates that are 1 percent higher or 1 percent lower than the current healthcare cost trend rate.

Description	1% Decrease in Trend Rate	Current Trend Rate	1% Increase in Trend Rate
OPEB Liability	$ 254,591,000	$ 298,106,000	$ 353,623,000

For the year ended September 30, 2023, the County recognized an OPEB benefit of $20,635,000. At September 30, 2023 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 707,000	$ 34,856,000
Changes in Actuarial Assumptions	48,432,000	206,520,000
Total	$ 49,139,000	$ 241,376,000

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

Year Ended September 30:	
2024	$(34,838,000)
2025	(34,838,000)
2026	(24,564,000)
2027	(21,046,000)
2028	(27,294,000)
Total Thereafter	(49,657,000)

Lee County Sheriff Health Care Plan

Plan Description

The Lee County Sheriff's Office ("LCSO") operates a separate heath care plan. Lee County Sheriff Health Care Plan ("LCSHCP") offers health, dental, and vision coverage to eligible LCSO retirees and their spouses. At September 30, 2023, the date of the latest actuarial report, plan participation consisted of 1,591 active members and 593 retirees. The plan allows retirees the option to continue to participate in the LCSHCP life insurance policy. The life insurance is only available to the retiree, and has a face value of $5,000.

A publicly available financial report that includes financial statements and required supplementary information is not available for this plan.

Funding Policy

The current published monthly rates for retiree Health Care coverage are $880 for single and $1,812 for retiree plus spouse. An $80 discount is applied for plan members enrolled in Medicare Part B. The LCSO subsidizes a percentage of the monthly major medical and hospitalization insurance for employees hired prior to October 1, 2010 based on the number of years of service credited to the Florida Retirement System ("FRS") before retirement. Vision and dental insurance are offered to retirees; however, they are not subsidized by LCSO.

The retiree contribution rate for the life insurance policy is $0.80 per month. The table below shows the contribution percentages for the corresponding years of service. The plan is funded on a pay-as-you-go basis. No trust fund has been established for this plan.

Percent of the Total Contribution Rates Paid by Retiree

Eligible Service Credit at Retirement or Termination	Retiree	Dependent
More than 10 years but less than 15 years	100%	100%
15 years	25%	100%
16 years	20%	100%
17 years	15%	100%
18 years	10%	100%
19 years	5%	100%
20 years or more	0%	50%

Actuarial Methods and Assumptions

At September 30, 2023, the Sheriff's LCSHCP total OPEB liability of $213,763,000 was measured as of September 30, 2022, and was determined by an actuarial valuation as of September 30, 2022. The following actuarial assumptions and other inputs were applied to all periods included in the measurement:

Inflation	2.25%
Discount Rate	4.40%
Salary Increases	FRS rates used in July 2022 actuarial valuation 3.4% - 8.2% including inflation
Healthcare Cost Trend Rate	Based on Getzen Model, starting at 6.50% for 2023 (5.00% for premiums) followed by 6.25% for 2024 and gradually decreasing to an ultimate trend rate of 4.00%
Retirees' share of benefit cost	Variable: See Percent of the Total Contribution Rates Paid by Retiree table

The discount rate was based on the 20 Year Municipal Bond Rate at September 30, 2022, of Fidelity Investments' 20-Year Municipal GO AA Index. The discount rate changed from 2.19 percent at September 30, 2021.

Mortality rates are the same as used in the July 2022 actuarial valuation of the Florida Retirement System. The rates were taken from adjusted Pub-2010 mortality tables published by the Society of Actuaries with generational mortality improvements using Scale MP-2018. Adjustments to referenced tables are based on the results of statewide experience study covering the period of 2013 through 2018.

The actuarial assumptions used in the September 30, 2022 valuation were based on a statewide experience study conducted by FRS covering the period October 1, 2013 through September 30, 2018.

Changes in the Total OPEB Liability

Balance at September 30, 2022	$270,056,000
Changes for the year:	
Service Cost	8,304,000
Interest	6,032,000
Difference Between Expected and Actual Experience	21,117,000
Changes in Assumptions	(85,907,000)
Benefit Payments	(5,839,000)
Net Changes	(56,293,000)
Balance at September 30, 2023	$213,763,000

The following presents the total OPEB liability of the Sheriff as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1 percent higher or 1 percent lower than the current discount rate.

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
OPEB Liability	$ 247,148,000	$ 213,763,000	$ 186,237,000

The following presents the total OPEB liability of the Sheriff as well as what the Sheriff's total OPEB liability would be if it were calculated using Healthcare trend rates that are 1 percent higher or 1 percent lower than the current healthcare cost trend rate.

Description	1% Decrease in Trend Rate	Current Trend Rate	1% Increase in Trend Rate
OPEB Liability	$ 179,728,000	$ 213,763,000	$ 257,169,000

For the year ended September 30, 2023, the County recognized OPEB expense of $4,069,000 related to the Sheriff. At September 30, 2023 the County reported deferred outflows of resources and deferred inflows of resources related to the Sheriff's OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions Subsequent to Measurement Date	$ 6,641,000	$ -
Difference Between Expected and Actual Experience	28,418,000	-
Changes in Actuarial Assumptions	50,433,000	171,848,000
Total	$ 85,492,000	$ 171,848,000

Deferred outflows of resources included $6,641,000 resulting from contributions subsequent to the measurement date. This amount will be recognized as a reduction of the OPEB liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30:	
2024	$ (10,266,000)
2025	(10,266,000)
2026	(10,267,000)
2027	(11,475,000)
2028	(12,376,000)
Total Thereafter	(38,347,000)

Summary

The aggregate amount of total OPEB liability, related deferred outflows of resources, deferred inflows of resources, and OPEB expenses for the County's postemployment benefits plans are summarized below. These liabilities are typically liquidated by the individual fund to which the liability is directly associated.

Description	GHPLC	LCSHCP	Total
Total OPEB liability	$ 298,106,000	$ 213,763,000	$ 511,869,000
Deferred outflows of resources related to OPEB	49,139,000	85,492,000	134,631,000
Deferred inflows of resources related to OPEB	241,376,000	171,848,000	413,224,000
OPEB expense (benefit)	(20,635,000)	4,069,000	(16,566,000)

NOTE VIII. RETIREMENT PLANS

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.

All regular County employees 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).

The County's pension expenses for both the FRS Pension Plan and HIS Plan for the year ended September 30, 2023 totaled $169,930,000.

Florida Retirement System Pension Plan (FRS 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 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 55, if vested, or at any age after 25 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 96 months after electing to participate, except that certain instructional personnel may participate for up to 120 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 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. 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

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 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement. In 2017, Senate Bill 7022 made several changes to FRS. The bill provides for renewed

membership in the investment plan to reemployed defined contribution plan retirees, as well as, In-Line-of Duty Death Benefits.

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 percent 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 10.19 percent, county elected officials 55.28 percent, senior management 29.85 percent, special risk 26.11 percent and DROP participants 16.94 percent. The County's contributions to the FRS Plan were $60,459,000 for the year ended September 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2023, the County reported a liability of $481,405,000 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, 2023. 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 1.2081 percent, which was an increase of 0.1451 percent from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the County recognized a pension expense of $106,723,000 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	$ 45,200,000	$ -
Changes in Actuarial Assumptions	31,382,000	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	20,105,000	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	41,596,000	12,338,000
County Contributions Subsequent to the Measurement Date	16,004,000	-
Total	$ 154,287,000	$ 12,338,000

Deferred outflows of resources related to pensions included $16,004,000 resulting from contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:		
2024	$	19,406,000
2025		306,000
2026		85,732,000
2027		16,017,000
2028		4,484,000

Actuarial Assumptions

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

Inflation	2.40 %, per year
Salary increases	3.25 %, average
Investment rate of return	6.70 %

Mortality rates were based on the PUB2010 base table which vary 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 (property)	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Totals	100.0%			
Assumed Inflation - Mean			2.4%	1.4%

Discount Rate

The discount rate used to measure the total pension liability remained at 6.70 percent for the FRS Plan. 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, 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	$ 822,337,000	$ 481,405,000	$ 196,174,000

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 Annual Comprehensive Financial Report. The report may be obtained through the Florida Department of Management Services website: http://www.dms.myflorida.com.

Retiree Health Insurance Subsidy Program (HIS Plan)

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 September 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.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2023, the contribution rate was 1.66 percent of payroll pursuant to section 112.363, Florida Statues. On July 1, 2023, the rate increased to 2 percent. The County contributed 100 percent of its statutorily required contributions for the current and preceding 3 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 $7,055,000 for the year ended September 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2023, the County reported a liability of $160,494,000 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. Liabilities originally calculated as of the actuarial valuation date are recalculated as of June 30, 2023 using a standard actuarial roll-forward technique. The County's proportion of the net pension liability was based on the County's contributions received 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 1.0106 percent, which was an increase of 0.1075 percent from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the County recognized pension expense of $63,207,000 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	$ 2,350,000	$ 377,000
Changes in Actuarial Assumptions	4,219,000	13,907,000
Net Difference Between Projected and Actual Earnings on HIS Program Investments	83,000	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	13,500,000	1,028,000
County Contributions Subsequent to the Measurement Date	1,976,000	-
Total	$ 22,128,000	$ 15,312,000

Deferred outflows of resources related to pensions included $1,976,000 resulting from contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2024	$ 1,545,000
2025	1,629,000
2026	831,000
2027	(342,000)
2028	706,000
Total Thereafter	471,000

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:

Inflation	2.40 %, per year
Salary increases	3.25 %, avg with inflation
Investment rate of return	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 changed from 3.54 to 3.65 percent for the HIS Plan. 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	$ 183,090,000	$ 160,494,000	$ 141,757,000

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 Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website: http://www.dms.myflorida.com.

Summary

The aggregate amount of net pension liability, related deferred outflows of resources and deferred inflows 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.

Description	FRS Plan	HIS Plan	Total
Net pension liability	$ 481,405,000	$ 160,494,000	$ 641,899,000
Deferred outflows of resources related to pensions	154,287,000	22,128,000	176,415,000
Deferred inflows of resources related to pensions	12,338,000	15,312,000	27,650,000
Pension expense	106,723,000	63,207,000	169,930,000

Defined Contribution 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. 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 percent 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 1 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. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-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 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 $8,384,000 for the year ended September 30, 2023.

NOTE IX. OTHER INFORMATION

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. After September 30, 1989, and prior to October 1, 1987, the Board established a Self-Insured Retention (SIR) program (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the SIR provides coverage in the areas mentioned below. The County purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. As a result, there was no reduction in insurance coverage.

The County remains liable for open claims asserted prior to October 1, 1987, and after September 30, 1989, covered under the existing self-insurance program, limited to the established annual loss fund limits for unasserted claims for a period, generally four years after date of occurrence. Claims that are filed or settled after the end of the fiscal year of occurrence are charged to, and accumulated within, the year of occurrence. Consequently, the County's total liability within any one year is limited to the annual loss fund limits.

From October 1, 1987, to September 30, 1989, the County was a member of the Southwest Florida Intergovernmental Risk Management Association (SFIRMA), a local government liability risk pool. SFIRMA administered insurance activities similar to those provided by the Board's SIR program. SFIRMA absorbed losses up to a specific amount annually and purchased excess and other specific coverages from third-party carriers.

Additionally, the Board and the Sheriff maintain self-insurance internal service funds to administer insurance activities relating to countywide employee group health and dental programs. The County absorbs losses related to these programs up to aggregate annual loss fund limits. Excess and other specific coverages are purchased from third-party carriers. Funding for these programs is generated by charges to the operating departments based on management's annual estimates of claim loss funding and administration/operating costs.

At September 30, 2023, the County had recorded liabilities equal to the amounts reflected as reserved and unasserted claims. These amounts were calculated by the third-party self-insurance program's underwriters and actuaries, based on industry standards. These liabilities are subject to adjustments in future years, which would be recorded as claim expenses when they are estimated.

The County's and Sheriff's SIR programs and excess insurance provides coverage for all the County and Sheriff departments' exposure. Funding for the SIR is generated by charges to the operating departments based on management's annual estimates of claim loss funding and administration/operating costs. Changes in the County and Sheriff funds' claims liability for the years ended September 30, 2023 and 2022, were as follows (dollars in thousands):

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Year-End
Self-Insurance Group Health and Dental:				
2023	$11,093	$114,312	($114,208)	$11,197
2022	10,698	106,353	(105,958)	11,093
Self-Insurance General Liability:				
2023	$11,590	$3,856	($3,808)	$11,638
2022	13,848	147	(2,405)	11,590

Landfill Closure and Postclosure Liability

The Florida Department of Environmental Protection (FDEP) requires the County to place a final cover on its landfill cells when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although most closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a small portion of these closure and postclosure care costs as an operating expense based on certain minor closure activities that have occurred as of the balance sheet date. The amount reported as landfill closure and postclosure care liability in the fund statements, $23,970,000, represents the cumulative portion of total estimated closure and postclosure care as of September 30, 2023, based on the use of 38 percent of the capacity of the 152 acre active disposal areas at the landfill. The total estimated cost for closure and postclosure care for the landfill at September 30, 2023, was $55,654,000. The County will recognize the remaining estimated cost of closure and post closure care of $31,684,000 as the remaining estimated capacity is filled. The County will recalculate its liability annually; the liability amount is based on what it presently would cost to perform all closure and postclosure care at September 30, 2023. The Class I - MSW landfill facility configuration, as currently planned, is expected to provide approximately 13 more years of disposal capacity for Lee and Hendry Counties. Actual costs may be higher due to inflation, or changes in regulations. The County is required by FDEP to annually calculate closure and postclosure costs, and to provide proof of its capacity to fund closure costs. The County is in compliance with these requirements, and at September 30, 2023, cash and investments of $12,712,000 are held for these purposes. These are reported as restricted assets on the balance sheet.

Commitments and Contingencies

The County is currently receiving, and has received in the past, grants that are subject to special compliance audits by the grantor agency that may result in disallowed expense amounts. These amounts constitute a contingent liability of the County. The County does not believe any contingent liabilities to be material.

Hurricane Ian, a strong Category 4 hurricane made landfall in Lee County on September 28, 2022. The Governor and the President of the United States declared Hurricane Ian a Federal disaster. The devastation to the County from this storm has been extensive, especially on the islands and along the coastline, affecting the citizens, economy, assets and tourism industry. The County expects significant expenses to be incurred over the next few years for repair and recovery with expected substantial reimbursement from federal and state agencies.

The County currently prepares rebate calculations on all debt subject to arbitrage per the United States department of the Treasury Regulations, Section 1.148, and the Internal Revenue Service Code of 1986. Rebates, if any, are paid to the Internal Revenue Service every fifth year after the year of issuance and a final computation is completed when paid in full. Within the five-year period, any positive arbitrage (liability) can be offset by any negative arbitrage (non-liability). These rebates constitute a contingent liability of the County. The County does not believe any contingent liabilities to be material.

The Sheriff has agreements with a corporation for the provision of inmate medical services and food services at its corrections and detention facilities. The contracts are paid 100 percent by the Sheriff through its annual budget. The food services are based on a cost per meal per inmate basis, and the future contract commitment is estimated at approximately $3,100,000 per year based on the results of the current year. No liability is recorded in the fund statements, as any future commitment will be budgeted and paid from the subsequent year's budget. The minimum payment requirements for inmate medical services are $8,590,000 for year-ending September 30, 2024.

For the year ended September 30, 2023, the Sheriff paid $16,284,000 for inmate medical services and $3,087,000 for food services at its corrections and detention facilities.

The Sheriff also has an agreement with a corporation to arrange for medical staff, including doctors, to be located at a site (clinic) designated by the Sheriff to provide medical services to the employees, dependents and retirees of the Sheriff. The agreement was renewed effective in July 1, 2016 for three (3) terms that automatically renew but is cancellable with one hundred twenty (120) day written notice. The agreement automatically renews unless cancelled in writing. No liability is recorded in the fund statements, as any future commitment will be budgeted and paid from the subsequent year's budget.

The Sheriff has a purchase agreement with a corporation for the financed purchase of a helicopter in the amount of $6,098,000. The helicopter was originally scheduled to be delivered during the fiscal year ended September 30, 2023, but due to delays has not yet been delivered. This purchase agreement calls for ten (10) annual payments of $746,000 beginning upon delivery in the fiscal year ended September 30, 2024.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. Although encumbrances lapse at fiscal year-end it is the County's intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. Encumbrances outstanding at September 30, 2023, are as follows:

	Amount
General Fund	$87,043,000
Other Governmental Funds	200,145,000

Litigation

The County is a defendant in various civil lawsuits in both state and federal courts on a variety of issues. To the extent the outcome of such litigation has been determined to result in probable loss to the county, the loss has been recorded in the accompanying financial statements. Litigation where the County is not in a position at this time to predict the outcome of the lawsuits or the exact amount of costs and/or potential recovery is not recorded. The County plans to contest these matters unless settled. The County believes the outcome of these lawsuits will not have a material effect on the financial statements.

Dean Wish, LLC served a Bert Harris inverse complaint to Lee County in January 2017. The claim in the amount of $14,865,000 is in connection with Lee County's denial to approve the owner's application to administratively increase density of its property. The Court granted Lee County's motion for summary judgement and the Plaintiff appealed the decision to the Second District Court of Appeal. The Second District Court of Appeal affirmed the lower court's decision, and certified the question to the Florida Supreme Court. The Florida Supreme Court declined to review the petition, finalizing the trial court's decision in the matter. As the prevailing party, Lee County moved to recover its attorney's fees and costs from the Plaintiff. In September 2022 the Trial Court denied Lee County's motion. Lee County appealed the denial of award of fees and costs which is currently pending before the Sixth District Court of Appeal.

Subsequent Events

On October 23, 2023, the County received Emergency Bridge loan proceeds of $25,000,000 from the State of Florida. The loan agreement, executed September 15, 2023 with the State of Florida, Department of Commerce, is to cover costs associated with continuing, expanding, or modifying governmental operations to meet Hurricane Ian disaster related needs. The loan is interest free for 24 months.

On November 2, 2023, the County closed on the Water and Sewer Revenue Bonds, Series 2023 in the amount of $45,000,000 with TD Bank, N.A. to finance certain capital improvements to the system.

Special Item – Loss on Discontinued Project

On December 28, 2014, the Board of Port Commissioners approved an agreement with the Department of Transportation Federal Aviation Administration (FAA) to replace and relocate the air traffic control tower at Southwest Florida International Airport. The County paid for the design and construction of the new air traffic control tower. On November 3, 2022, this agreement was amended to change the ownership of the air traffic control tower to the FAA upon commissioning. On September 29, 2023, the transfer of ownership took place and a loss on discontinued project was recognized in the amount of $74,525,000.

Change in Accounting Principle

During the year ended September 30, 2023, the County implemented GASB Statement No. 96, "Subscription-Based Information Technology Arrangements". The statement requires the recognition of certain subscription based technology assets and subscription based technology liabilities that previously were classified as operating expenses. It establishes a single model for subscription accounting based upon the foundational principle that subscriptions are financings of the right to use an underlying asset. Subscriptions where the maximum possible term is one year or less continue to be reported as operating expenses.

As a result of implementing GASB Statement 96, the County has recorded the following to adjust beginning balances (dollars in thousands):

	Governmental Activities	Business-Type Activities
Intangible right-to-use SBITA	$ 7,694	$ 4,538
SBITA payable	(7,694)	(4,538)
	$ -	$ -

REQUIRED SUPPLEMENTARY *Information*



Lee County, Florida
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023

Other Postemployment Benefits Plans
(unaudited)

Group Health Program for Lee County Plan
(dollars in thousands)

Group Health Program for Lee County Plan
(dollars in thousands)

	Measurement Date						
Total OPEB liability	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Service cost	$ 15,683	$ 8,720	$ 16,652	$ 23,654	$ 27,176	$ 22,741	$ 15,225
Interest	12,235	11,148	15,207	13,270	11,676	9,498	13,367
Difference between expected and actual experience	1,259	1,204	(824)	(3,683)	(25,281)	(4,587)	(13,404)
Changes in benefit terms	-	62,735	-	7,253	-	-	(14,389)
Changes of assumptions	(106,418)	(25,726)	103,593	(8,082)	(110,888)	(102,227)	(16,695)
Benefit payments	(9,678)	(9,067)	(7,883)	(5,200)	(7,736)	(4,884)	(6,499)
Net change in total OPEB liability	(86,919)	49,014	126,745	27,212	(105,053)	(79,459)	(22,395)
Total OPEB liability beginning	388,961	302,042	351,056	477,801	505,013	399,960	320,501
Total OPEB liability ending	$ 302,042	$ 351,056	$ 477,801	$ 505,013	$ 399,960	$ 320,501	$ 298,106
Covered-employee payroll	$ 173,439	$ 198,692	$ 224,028	$ 227,739	$ 236,913	$ 222,645	$ 294,638
OPEB liability as a percentage of covered-employee payroll	174.15%	176.68%	213.28%	221.75%	168.82%	143.95%	101.18%

No assets have been accumulated in a trust fund for the plan.

Notes to Schedule

For the measurement date September 30, 2023, the amount reported as changes in assumptions resulted from the following:

- The discount rate changed from 4.02% at September 30, 2022 to 4.09% at September 30, 2023.
- Expected medical claims costs and premiums updated to reflect actual claims experience and known premiums.
- Expected life insurance premiums were updated since the last valuation to reflect the updated retiree charge.
- The health care cost trend rates updated to reflect recent experience and expectations.
- Change in the percentage of subsidy eligible retirees assumed to enroll in pre-65 medical coverage from 55% to 40%, and a change for post-65 medical coverage from 44% to 55%.
- A change in future medical plan election for new Medicare eligible retirees from 50% Aetna Select or POS2, 50% Medicare Advantage to 30% Aetna Select or POS2, 70% Medicare Advantage.
- Change in the future retiree life insurance participation rate from 20% to 17.5% for pre-65 retirees.
- Effective January 1, 2024, the Lee County Tax Collector terminated their participation in the plan.

For the measurement date September 30, 2022, the amount reported as changes in assumptions resulted from the following:

- The discount rate changed from 2.26% at September 30, 2021 to 4.02% at September 30, 2022.

For the measurement date September 30, 2021, the amount reported as changes in assumptions resulted from the following:

- The discount rate changed from 2.21% at September 30, 2020 to 2.26% at September 30, 2021.
- Change in the mortality improvement scale from Scale MP-2020 to Scale MP-2021.
- A change in future medical plan election for new Medicare eligible retirees from 60% Aetna Select or POS2, 40% Medicare Advantage to 50% Aetna Select or POS2, 50% Medicare Advantage.
- Expected claims costs and premiums updated to reflect actual claims experience and known premiums.
- The health care cost trend rates updated to reflect recent experience and expectations.

For the measurement date September 30, 2020, the amount reported as changes in assumptions resulted from the following:

- The discount rate changed from 2.66% at September 30, 2019 to 2.21% at September 30, 2020.
- Change in the mortality assumption from the PUBG.H-2010 Tables and PUBS.H-2010 Tables for employees and retirees, both projected generationally with Scale MP-2018 to the PUBG.H-2010 Tables and PUBS. H-2010 Tables for employees and retirees, both projected generationally with Scale MP-2020.
- The removal of the excise tax trend adjustment.
- Change in retirement rates, termination rates and disability rates to reflect the 2019 FRS experience study.

For the measurement date September 30, 2019, the amount reported as changes in assumptions resulted from the following:

- The discount rate changed from 4.18% at September 30, 2018 to 2.66% at September 30, 2019.
- Change in the mortality assumption from the PUBG.H-2010 Tables and PUBS.H-2010 Tables for employees and retirees, both projected generationally with Scale MP-2017 to the PUBG.H-2010 Tables and PUBS. H-2010 Tables for employees and retirees, both projected generationally with Scale MP-2018.
- Change in the percentage of subsidy eligible retirees assumed to enroll in pre-65 medical coverage from 65% to 55%, to enroll initially in post-65 coverage from 49% to 44%, and to continue retiree medical coverage upon attaining Medicare eligibility from 75% to 80%. A change in the percentage of non-subsidy eligible retirees assumed to enroll in pre-65 medical coverage from 25% to 20%, and to enroll initially in post-65 coverage from 18% to 14%.
- Change in the future retiree spouse coverage election rate from 48% to 52% for males and from 42% to 35% for females.
- Change in the future retiree life insurance participation rate from 100% to 20% for pre-65 retirees and 30% for post-65 retirees.

For the measurement date September 30, 2018, the amount reported as changes in assumptions resulted from the following:

- The discount rate changed from 3.64% at September 30, 2017 to 4.18% at September 30, 2018.
- Change in the mortality assumption from the aggregate 2006 base rates from the RP-2014 mortality study projected generationally from 2006 using Scale MP-2017 to the PUBG.H-2010 Tables and PUBS.H-2010 Tables for employees and retirees, both projected generationally with Scale MP-2017.

For the measurement date September 30, 2017, the amount reported as changes in assumptions resulted from the following:

- The discount rate changed from 4.00% at September 30, 2016 under GASB 45 to 3.06% at September 30, 2016 under GASB 75 and to 3.64% at September 30, 2017.
- Change in the mortality assumption from the aggregate 2006 base rates from the RP-2014 mortality study projected generationally from 2006 using Scale MP-2016 to the aggregate 2006 base rates from the RP-2014 mortality study projected generationally from 2006 using Scale MP-2017.
- Change in the percentage of future Medicare eligible retirees assumed to enroll in the Aetna plan from 50% to 60%, and a change in the percentage assumed to enroll in the Medicare Advantage plan from 50% to 40%.
- Change in the percentage of subsidy eligible retirees assumed to enroll in pre-65 medical coverage from 70% to 65%, to enroll initially in post-65 coverage from 56% to 49%, and to continue coverage upon attaining Medicare eligibility from 80% to 75%.
- Change in the percentage of non-subsidy eligible retirees assumed to enroll in pre-65 medical coverage from 40% to 25%, to enroll initially in post-65 coverage from 30%to 18%, and to continue coverage upon attaining Medicare eligibility from 75% to 70%.
- Health care claims rates and trend rates were updated to reflect the latest available information.

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

Lee County, Florida
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023

Other Postemployment Benefits Plans
(unaudited)

Lee County Sheriff Health Care Plan

(dollars in thousands)

Lee County Sheriff Health Care Plan

(dollars in thousands)

	Measurement Date						
Total OPEB liability	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Service cost	$ 8,466	$ 10,834	$ 9,900	$ 7,313	$ 9,816	$ 7,477	$ 8,304
Interest	9,205	9,024	10,023	9,373	8,527	6,207	6,032
Difference between expected and actual experience	-	-	4,211	-	9,583	-	21,117
Changes of assumptions	31,576	(22,771)	(58,471)	51,094	(72,808)	9,059	(85,907)
Benefit payments	(5,099)	(4,607)	(4,738)	(4,703)	(5,148)	(5,496)	(5,839)
Net change in total OPEB liability	44,148	(7,520)	(39,075)	63,077	(50,030)	17,247	(56,293)
Total OPEB liability beginning	242,209	286,357	278,837	239,762	302,839	252,809	270,056
Total OPEB liability ending	$ 286,357	$ 278,837	$ 239,762	$ 302,839	$ 252,809	$ 270,056	$ 213,763
Covered-employee payroll	$ 66,951	$ 68,226	$ 65,943	$ 60,396	$ 89,930	$ 102,360	$ 106,362
OPEB liability as a percentage of covered-employee payroll	427.71%	408.70%	363.59%	501.42%	281.12%	263.83%	200.98%

No assets have been accumulated in a trust fund for the plan

Notes to Schedule

For the measurement date September 30, 2022, the amount reported as changes in assumptions resulted from the following:

- Change in the discount rate from 2.19% as of the beginning of the measurement period to 4.40% as of September 30, 2022.
- The health care cost trend rates updated to reflect recent experience and expectations.

For the measurement date September 30, 2021, the amount reported as changes in assumptions resulted from the following:

- Change in the discount rate from 2.41% as of the beginning of the measurement period to 2.19% as of September 30, 2021.

For the measurement date September 30, 2020, the amount reported as changes in assumptions resulted from the following:

- Change in the discount rate from 2.75% as of the beginning of the measurement period to 2.41% as of September 30, 2020.
- The rate of inflation was revised from 2.5% to 2.25%.

For the measurement date September 30, 2019, the amount reported as changes in assumptions resulted from the following:

- Change in the discount rate from 3.83% as of the beginning of the measurement period to 2.75% as of September 30, 2019.

For the measurement date September 30, 2018, the amount reported as changes in assumptions resulted from the following:

- Change in the discount rate from 3.50% as of the beginning of the measurement period to 3.83% as of September 30, 2018.

For the measurement date September 30, 2017, the amount reported as changes in assumptions resulted from the following:

- Change in the discount rate from 3.06% as of the beginning of the measurement period to 3.50% as of September 30, 2017.

For the measurement date September 30, 2016, the amount reported as changes in assumptions resulted from the following:

- Change in the discount rate from 3.71% as of the beginning of the measurement period to 3.06% as of September 30, 2016.

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

Lee County, Florida
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023

Florida Retirement System Pension Plan
(unaudited)

Schedule of the County's Proportionate Share of the Net Pension Liability
(dollars in thousands)
Last 10 Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County's Proportion of the Net Pension Liability	0.9638%	0.9683%	1.0422%	1.0502%	1.0927%	1.1060%	1.1008%	1.0338%	1.0630%	1.2081%
County's Proportionate Share of the Net Pension Liability	$ 58,806	$ 125,074	$ 263,144	$ 310,644	$ 329,132	$ 380,876	$ 477,097	$ 78,094	$ 395,509	$ 481,405
County's Covered Payroll**	$ 199,547	$ 246,054	$ 259,596	$ 267,975	$ 288,078	$ 298,616	$ 306,931	$ 311,206	$ 329,245	$ 401,125
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	29.47%	50.83%	101.37%	115.92%	114.25%	127.55%	155.44%	25.09%	120.13%	120.01%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	96.09%	92.00%	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%

*The amounts presented for each fiscal year were determined as of June 30.
** For June 30, 2015, and later, covered payroll shown includes the payroll for Investment Plan members and payroll on which only UAL rates are charged.

Schedule of County Contributions
(dollars in thousands)
Last 10 Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	$ 22,247	$ 23,938	$ 26,777	$ 27,667	$ 31,629	$ 35,070	$ 37,780	$ 40,356	$ 47,769	$ 60,459
Contributions in Relation to the Contractually Required Contribution	(22,247)	(23,938)	(26,777)	(27,667)	(31,629)	(35,070)	(37,780)	(40,356)	(47,769)	(60,459)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 242,110	$ 248,447	$ 262,679	$ 272,610	$ 289,589	$ 302,411	$ 312,965	$ 311,795	$ 342,128	$ 405,725
Contributions as a percentage of covered payroll	9.19%	9.64%	10.19%	10.15%	10.92%	11.60%	12.07%	12.94%	13.96%	14.90%

*The amounts presented are on a September 30 basis.

Lee County, Florida
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023

Retiree Health Insurance Subsidy Program
(unaudited)

Schedule of the County's Proportionate Share of the Net Pension Liability
(dollars in thousands)
Last 10 Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County's Proportion of the Net Pension Liability	0.8101%	0.8103%	0.8408%	0.8409%	0.8800%	0.8932%	0.8844%	0.8792%	0.9031%	1.0106%
County's Proportionate Share of the Net Pension Liability	$ 75,745	$ 82,636	$ 97,989	$ 89,915	$ 93,146	$ 99,935	$ 107,982	$ 107,847	$ 95,656	$ 160,494
County's Covered Payroll	$ 240,651	$ 246,054	$ 259,596	$ 267,975	$ 288,078	$ 298,616	$ 306,931	$ 311,206	$ 329,245	$ 401,125
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	31.48%	33.58%	37.75%	33.55%	32.33%	33.47%	35.18%	34.65%	29.05%	40.01%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	0.99%	0.50%	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%

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

Schedule of County Contributions
(dollars in thousands)
Last 10 Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	$ 3,136	$ 3,375	$ 4,363	$ 4,526	$ 4,799	$ 5,022	$ 5,195	$ 5,168	$ 5,677	$ 7,055
Contributions in Relation to the Contractually Required Contribution	(3,136)	(3,375)	(4,363)	(4,526)	(4,799)	(5,022)	(5,195)	(5,168)	(5,677)	(7,055)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 242,110	$ 248,447	$ 262,679	$ 272,610	$ 289,589	$ 302,411	$ 312,965	$ 311,795	$ 342,128	$ 405,725
Contributions as a percentage of covered payroll	1.30%	1.36%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.74%

*The amounts presented are on a September 30 basis.

SUPPLEMENTAL FINANCIAL *Information*





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GENERAL *Fund*



Lee County, Florida
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2023
(amounts expressed in thousands)

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff
ASSETS				
Cash, cash equivalents and investments	$ 230,474	$ 5,669	$ 1,458	$ 17,514
Receivables				
Accounts (net)	11,458	8	-	43
Accrued interest	231	-	-	-
Leases	9,245	-	-	-
Due from other funds	16,905	61	16	1,090
Due from other governments	28,798	28	-	-
Inventory	420	41	-	-
Inventory held for resale	294	-	-	-
Advances	5,300	-	-	-
Total assets	303,125	5,807	1,474	18,647
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	25,845	437	189	5,113
Accrued liabilities	1,651	380	170	6,586
Due to other funds	473	262	956	6,655
Due to other governments	5,420	518	159	-
Due to individuals	-	-	-	293
Deposits	1,672	4,115	-	-
Unearned revenues	75,072	95	-	-
Other	207	-	-	-
Total liabilities	110,340	5,807	1,474	18,647
Deferred Inflows of Resources:				
Accounts receivable	8,628	-	-	-
Grants receivable	5,316	-	-	-
Unamortized leases	9,155	-	-	-
Total deferred inflows of resources	23,099	-	-	-
Fund Balances:				
Nonspendable	5,720	41	-	-
Restricted	294	-	-	-
Assigned	106,181	-	-	-
Unassigned	57,491	(41)	-	-
Total fund balances	169,686	-	-	-
Total liabilities and fund balances	$ 303,125	$ 5,807	$ 1,474	$ 18,647

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2023
(amounts expressed in thousands)

	Supervisor of Elections	Tax Collector	Eliminations	Total
ASSETS				
Cash, cash equivalents and investments	$ 1,558	$ 11,893	$ -	$ 268,566
Receivables				
Accounts (net)	-	60	-	11,569
Accrued interest	-	-	-	231
Leases	-	-	-	9,245
Due from other funds	-	-	(15,942)	2,130
Due from other governments	1	-	-	28,827
Inventory	-	-	-	461
Inventory held for resale	-	-	-	294
Advances	-	-	-	5,300
Total assets	1,559	11,953	(15,942)	326,623
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	88	1,281	-	32,953
Accrued liabilities	213	794	-	9,794
Due to other funds	1,258	8,686	(15,942)	2,348
Due to other governments	-	1,192	-	7,289
Due to individuals	-	-	-	293
Deposits	-	-	-	5,787
Unearned revenues	-	-	-	75,167
Other	-	-	-	207
Total liabilities	1,559	11,953	(15,942)	133,838
Deferred Inflows of Resources:				
Accounts receivable	-	-	-	8,628
Grants receivable	-	-	-	5,316
Unamortized leases	-	-	-	9,155
Total deferred inflows of resources	-	-	-	23,099
Fund Balances:				
Nonspendable	-	-	-	5,761
Restricted	-	-	-	294
Assigned	-	-	-	106,181
Unassigned	-	-	-	57,450
Total fund balances	-	-	-	169,686
Total liabilities and fund balances	$ 1,559	$ 11,953	$ (15,942)	$ 326,623

See accompanying independent auditor's report.

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff
REVENUES				
Taxes	$ 426,741	$ -	$ -	$ -
Licenses and permits	1,692	-	-	-
Intergovernmental	195,906	1,255	2,223	8
Charges for services	28,718	6,447	458	1,438
Fines and forfeitures	116	-	-	-
Investment earnings	15,432	652	52	533
Miscellaneous	8,665	356	1	1,159
Total revenues	677,270	8,710	2,734	3,138
EXPENDITURES				
Current				
General government	146,764	20,848	11,243	12,091
Public safety	77,438	-	-	235,791
Physical environment	16,726	-	-	-
Economic environment	8,532	-	-	-
Human services	20,190	-	-	-
Culture and recreation	19,956	-	-	-
Capital outlay				
General government	18,201	52	79	-
Public safety	293	-	-	14,462
Physical environment	16	-	-	-
Culture and recreation	379	-	-	-
Debt service				
Principal retirement	1,486	-	15	1,628
Interest and fiscal charges	259	-	4	179
Bond issuance costs	170	-	-	-
Total expenditures	310,410	20,900	11,341	264,151
Excess (deficiencies) of revenues over (under) expenditures	366,860	(12,190)	(8,607)	(261,013)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	17,538	12,291	9,563	265,967
Transfers out	(407,156)	(101)	(956)	(6,592)
Insurance recoveries	10,316	-	-	-
Lease issuance	3,086	-	-	713
SBITA issuance	324	-	-	925
Total other financing sources and (uses)	(375,892)	12,190	8,607	261,013
Net change in fund balances	(9,032)	-	-	-
Fund balances - beginning	178,718	-	-	-
Fund balances - ending	$ 169,686	$ -	$ -	$ -

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Supervisor of Elections	Tax Collector	Eliminations	Total
REVENUES				
Taxes	$ -	$ -	$ -	$ 426,741
Licenses and permits	-	-	-	1,692
Intergovernmental	202	-	-	199,594
Charges for services	136	36,636	(21,992)	51,841
Fines and forfeitures	-	-	-	116
Investment earnings	-	852	-	17,521
Miscellaneous	33	32	-	10,246
Total revenues	371	37,520	(21,992)	707,751
EXPENDITURES				
Current				
General government	9,686	29,218	(21,992)	207,858
Public safety	-	-	-	313,229
Physical environment	-	-	-	16,726
Economic environment	-	-	-	8,532
Human services	-	-	-	20,190
Culture and recreation	-	-	-	19,956
Capital outlay				
General government	325	1,210	-	19,867
Public safety	-	-	-	14,755
Physical environment	-	-	-	16
Culture and recreation	-	-	-	379
Debt service				
Principal retirement	-	772	-	3,901
Interest and fiscal charges	-	3	-	445
Bond issuance costs	-	-	-	170
Total expenditures	10,011	31,203	(21,992)	626,024
Excess (deficiencies) of revenues over (under) expenditures	(9,640)	6,317	-	81,727
OTHER FINANCING SOURCES AND (USES)				
Transfers in	10,899	-	(308,566)	7,692
Transfers out	(1,259)	(6,317)	308,566	(113,815)
Insurance recoveries	-	-	-	10,316
Lease issuance	-	-	-	3,799
SBITA issuance	-	-	-	1,249
Total other financing sources and (uses)	9,640	(6,317)	-	(90,759)
Net change in fund balances	-	-	-	(9,032)
Fund balances - beginning	-	-	-	178,718
Fund balances - ending	$ -	$ -	$ -	$ 169,686

See accompanying independent auditor's report.

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (Non - GAAP Budgetary Basis) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Non - GAAP Board of County Commissioners		Non - GAAP Clerk of Circuit Court		Non - GAAP Property Appraiser	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ 427,173	$ 426,741	$ -	$ -	$ -	$ -
Licenses and permits	1,473	1,692	-	-	-	-
Intergovernmental	287,939	200,404	1,257	1,255	1,672	1,611
Charges for services	32,386	28,253	6,508	6,480	-	-
Fines and forfeitures	100	116	-	-	-	-
Investment earnings	1,850	11,694	631	652	-	52
Miscellaneous	7,277	17,261	325	356	-	1
Total revenues	758,198	686,161	8,721	8,743	1,672	1,664
EXPENDITURES						
Current						
General government	288,953	146,798	20,942	20,848	11,156	10,173
Public safety	71,994	77,438	-	-	-	-
Physical environment	28,776	16,726	-	-	-	-
Economic environment	17,138	8,532	-	-	-	-
Human services	27,488	20,190	-	-	-	-
Culture and recreation	25,256	19,956	-	-	-	-
Capital outlay						
General government	115	18,201	70	52	79	79
Public safety	1,141	293	-	-	-	-
Physical environment	120	16	-	-	-	-
Economic environment	19	-	-	-	-	-
Culture and recreation	230	379	-	-	-	-
Debt service						
Principal retirement	1,466	1,745	-	-	-	15
Interest and fiscal charges	-	-	-	-	-	4
Cost of issuance	170	170	-	-	-	-
Total expenditures	462,866	310,444	21,012	20,900	11,235	10,271
Excess (deficiencies) of revenues over (under) expenditures	295,332	375,717	(12,291)	(12,157)	(9,563)	(8,607)
OTHER FINANCING SOURCES (USES)						
Transfers in	144,513	17,538	12,291	12,291	9,563	9,563
Transfers out	(538,805)	(407,156)	-	(101)	-	(956)
Insurance recoveries	-	10,316	-	-	-	-
Lease issuance	-	3,086	-	-	-	-
SBITA issuance	-	324	-	-	-	-
Debt issuance	25,000	-	-	-	-	-
Total other financing sources (uses)	(369,292)	(375,892)	12,291	12,190	9,563	8,607
Net change in fund balance	(73,960)	(175)	-	33	-	-
Fund balances - beginning	185,141	201,307	-	62	-	-
Fund balances - ending	$ 111,181	$ 201,132	$ -	$ 95	$ -	$ -

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (Non - GAAP Budgetary Basis) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Sheriff		Supervisor of Elections		Tax Collector	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	9	8	-	202	-	-
Charges for services	1,438	1,438	-	136	34,952	36,636
Fines and forfeitures	-	-	-	-	-	-
Investment earnings	533	533	-	-	9	852
Miscellaneous	1,159	1,159	-	33	38	32
Total revenues	3,139	3,138	-	371	34,999	37,520
EXPENDITURES						
Current						
General government	12,110	12,091	10,899	9,686	31,098	29,218
Public safety	242,186	235,791	-	-	-	-
Physical environment	-	-	-	-	-	-
Economic environment	-	-		-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	325	1,411	1,210
Public safety	12,868	14,462	-	-	-	-
Physical environment	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service						
Principal retirement	1,409	1,628	-	-	-	772
Interest and fiscal charges	-	179	-	-	-	3
Cost of issuance	-	-	-	-	-	-
Total expenditures	268,573	264,151	10,899	10,011	32,509	31,203
Excess (deficiencies) of revenues over (under) expenditures	(265,434)	(261,013)	(10,899)	(9,640)	2,490	6,317
OTHER FINANCING SOURCES (USES)						
Transfers in	265,967	265,967	10,899	10,899	-	-
Transfers out	(533)	(6,592)	-	(1,259)	(2,490)	(6,317)
Insurance recoveries	-	-	-	-	-	-
Lease issuance	-	713	-	-	-	-
SBITA issuance	-	925	-	-	-	-
Debt issuance	-	-	-	-	-	-
Total other financing sources (uses)	265,434	261,013	10,899	9,640	(2,490)	(6,317)
Net change in fund balance	-	-	-	-	-	-
Fund balances - beginning	-	-	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -	$ -	$ -

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (Non - GAAP Budgetary Basis) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Total		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	$ 427,173	$ 426,741	$ (432)
Licenses and permits	1,473	1,692	219
Intergovernmental	290,877	203,480	(87,397)
Charges for services	75,284	72,943	(2,341)
Fines and forfeitures	100	116	16
Investment earnings	3,023	13,783	10,760
Miscellaneous	8,799	18,842	10,043
Total revenues	806,729	737,597	(69,132)
EXPENDITURES			
Current			
General government	375,158	228,814	146,344
Public safety	314,180	313,229	951
Physical environment	28,776	16,726	12,050
Economic environment	17,138	8,532	8,606
Human services	27,488	20,190	7,298
Culture and recreation	25,256	19,956	5,300
Capital outlay			
General government	1,675	19,867	(18,192)
Public safety	14,009	14,755	(746)
Physical environment	120	16	104
Economic environment	19	-	19
Culture and recreation	230	379	(149)
Debt service			
Principal retirement	2,875	4,160	(1,285)
Interest and fiscal charges	-	186	(186)
Cost of issuance	170	170	-
Total expenditures	807,094	646,980	160,114
Excess (deficiencies) of revenues over (under) expenditures	(365)	90,617	90,982
OTHER FINANCING SOURCES (USES)			
Transfers in	443,233	316,258	(126,975)
Transfers out	(541,828)	(422,381)	119,447
Insurance recoveries	-	10,316	10,316
Lease issuance	-	3,799	3,799
SBITA issuance	-	1,249	1,249
Debt issuance	25,000	-	(25,000)
Total other financing sources (uses)	(73,595)	(90,759)	(17,164)
Net change in fund balance	(73,960)	(142)	73,818
Fund balances - beginning	185,141	201,369	16,228
Fund balances - ending	$ 111,181	$ 201,227	$ 90,046

See accompanying independent auditors' report.

MAJOR GOVERNMENTAL *Funds*



Lee County, Florida
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL WITH RECONCILIATION TO GAAP
TRANSPORTATION CAPITAL IMPROVEMENTS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes	$ 23,648	$ 26,326	$ 2,678
Intergovernmental	15,741	2,525	(13,216)
Special assessments	-	574	574
Investment earnings	287	3,863	3,576
Miscellaneous	-	521	521
Total revenues	39,676	33,809	(5,867)
EXPENDITURES			
Current			
Transportation	34,311	13,066	21,245
Capital outlay			
Transportation	195,246	33,527	161,719
Total expenditures	229,557	46,593	182,964
Excess of revenues (deficiencies) over (under) expenditures	(189,881)	(12,784)	177,097
OTHER FINANCING SOURCES (USES)			
Transfers in	13,770	34,672	20,902
Transfers out	(5,688)	(5,524)	164
Total other financing sources (uses)	8,082	29,148	21,066
Net change in fund balance	(181,799)	16,364	198,163
Fund balances - beginning	205,504	206,369	865
Fund balances - ending	$ 23,705	$ 222,733	$ 199,028

RECONCILIATION OF BUDGETARY BASIS TO GAAP	
Net change in fund balance (GAAP basis)	$ 16,149
Fair value adjustment	(819)
Unavailable revenues	1,034
Net change in fund balance non-GAAP (budgetary basis)	$ 16,364

The notes to the financial statements are an integral part of this statement.

NON-MAJOR GOVERNMENTAL *Funds*



Non-Major Governmental Fund Descriptions

Special Revenue Funds

Special revenue funds are used to account for proceeds of specific revenue sources, other than expendable trusts, debt service, or capital projects that are legally restricted to expenditures for specific purposes.

Municipal Service Benefit Unit Districts- To account for revenues and expenditures to be used for costs incurred on behalf of the special improvement districts, such as lighting, fire hydrants, and street paving.

Special Assessment Districts- To account for special assessments collected within certain unincorporated areas of the County to provide improvements (lighting, roads, etc.).

Law Enforcement Trust- To account for the monies held in trust by Lee County for the cost of protracted or complex investigations in the form of technical equipment, expertise, or other law enforcement purposes as the Board deems appropriate which are not normal operating needs of the law enforcement agency.

Special Revenue Projects- To account for revenues that are restricted for specific expenditures or projects.

State Housing Incentives Partnership Program (SHIP) - To account for SHIP grants.

Human Services Grants- To account for grant monies received to fund various Human Services projects.

*Lee County Library- T*o account for ad valorem taxes and governmental grant funds designated to operate and maintain the County's public library system.

E 9-1-1- To account for revenues and expenditures to be used for the acquisition, development, and operation of the E 9-1-1 emergency telephone system for Lee County.

MSTU- To account for ad valorem taxes, building license and permit fees, administration fees, charges for Animal Services, and other revenues, and expenditures to be used in the unincorporated areas of the County for services rendered.

Tourist Development Trust Fund- To account for the five percent tax on rents for temporary lodgings. This tax, approved by a voter referendum in 1982, is restricted for promotion of tourism and specific projects that have been identified as encouraging tourism such as beach and shoreline improvements, the William Hammond Stadium, and JetBlue Park. The debt service and operations for the stadiums are also allowed to be paid from this tax.

Transportation Trust- To account for gas taxes distributed by the State of Florida designated for the construction and operating maintenance of County roads.

All Hazards Protection- To account for revenues and expenditures to be used for the implementation of a hazardous preparedness, response, and recovery program.

Impact Fees-Community Parks- To account for revenues received from impact fees that are restricted for use for capital improvements for designated community park districts.

Special Revenue Funds (continued)

Impact Fees-Regional Parks- To account for revenues received from impact fees that are restricted for use for capital improvements for County regional parks.

Impact Fees-Roads- To account for revenues received from impact fees that are restricted for use for capital improvements to, and expansion of, transportation projects within designated road network areas.

Impact Fees-EMS- To account for revenues received from impact fees that are restricted for the purpose of providing advanced life support and related services within Lee County, except for Lehigh Acres Fire Control and Rescue District.

Impact Fees- Fire- To account for revenues received from impact fees that are restricted for the purpose of providing equipment and fire protection within designated fire districts.

Impact Fees- School- To account for impact fees collected on behalf of the Lee County School Board and restricted for the construction of new schools and for capital improvements to existing schools within the designated school zones

Animal Trust Fund- To account for revenues received from ordinance violations and donations, and expenditures used to improve the welfare of animals served by Lee County Animal Services.

Disaster Recovery- To account for revenues restricted for specific disaster-related expenditures and projects.

Court Administration- To account for the revenues and expenditures of the Twentieth Judicial Circuit Court Administrator's Office funded by Lee County.

Clerk of Circuit Court's Special Revenue- To account for revenues and expenditures mandated by Chapter 28.24(15)(d), *Florida Statutes*, to be held in trust by the Clerk and used exclusively for equipment and maintenance of equipment, personnel training, and technical assistance in modernizing the public records system of the office, and Chapter 28.24 (12)(e), *Florida Statutes*, to provide Court Technology support as defined in Chapter 28.008(1)(f)(2) and (h), *Florida Statutes.*

Property Appraiser's Special Revenues- To account for revenues used to operate the County's Geographical Information System (GIS).

Sheriff's Special Revenues- To account for grant revenues to be used for law enforcement purposes.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources to be used for payment of governmental funds' debt principal, interest, and related costs.

Tourist Development Tax Revenue Bonds- To account for payment of the 2010A, 2013, 2019A, 2019B, and 2019C Bonds. Funding is from tourist development tax revenues, William Hammond Stadium and JetBlue Park rental revenue.

Non Ad-Valorem Revenue Bonds – To account for payment of the 2012 and 2015 bonds. Funding is from legally available non-ad valorem revenues, which are non-ad valorem revenues less general government and public safety expenditures that are not paid from ad valorem revenues.

MSBU Projects Commercial Loan- To account for payment of the loan obligations for various special improvement districts. Funding is from special assessment tax revenue.

Non Ad-Valorem Line of Credit - To account for payment of loan obligations for disaster recovery expenditures and projects. Funding is from legally available non-ad valorem revenues, which are non-ad valorem revenues less general government and public safety expenditures that are not paid from ad valorem revenues.

Local Option Gas Tax Revenue Bonds- To account for payment of the 2022 Bonds. Funding is from local option 5 and 6 cent gas tax revenues.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition, construction, or improvement of major capital facilities and infrastructure other than those financed by proprietary funds.

Capital Improvement- To account for ad valorem taxes and other revenues, and expenditures to be used for the acquisition or construction of major non-transportation related capital facilities.

Special Assessment Districts Construction- To account for the financial resources to be used for the improvement projects (lighting, roads, etc.) in certain unincorporated areas of the County for which a special assessment is collected.

Local Option Gas Tax Construction- To account for bond proceeds to be used to pay costs incurred in connection with issuance of series 2022 bonds and finance the acquisition and construction of various transportation capital improvements within the County.

Human Services Grant Construction- To account for grant proceeds to be used to construct various capital projects.

Library Construction Projects- To account for the financial resources to be used for the Library construction projects.

All Hazards Protection Construction Projects- To account for the financial resources to be used for the construction projects of the hazardous preparedness, response, and recovery program.

Impact Fees Community Parks Construction- To account for the financial resources for the capital improvements from impact fees that are designated for community park districts.

Impact Fees Regional Parks Construction- To account for the financial resources for the capital improvements from impact fees that are designated for County regional parks.

Impact Fees Road Construction- To account for the financial resources for the capital improvements to, and expansion of, transportation projects from impact fees that are designated within road network areas.

Impact Fees EMS Construction- To account for financial resources to be used for EMS capital projects from impact fees related to designated areas within the County.

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	Municipal Service Benefit Unit Districts	Special Assessment Districts	Law Enforcement Trust	Special Revenue Projects
ASSETS				
Cash, cash equivalents and investments	$ 9,008	$ 1,865	$ 1,298	$ 2,878
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables				
Accounts (net)	-	-	-	-
Special assessments	-	2,220	-	-
Accrued interest	13	241	2	3
Leases	-	-	-	-
Due from other funds	55	3	334	145
Due from other governments	25	-	-	7
Inventory	-	-	-	-
Advances	-	-	-	-
Total assets	9,101	4,329	1,634	3,033
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	21	1	-	10
Accrued liabilities	-	3	-	11
Due to other funds	14	-	-	-
Due to other governments	-	2	-	5
Deposits	-	-	-	-
Unearned revenues	-	-	-	3
Total liabilities	35	6	-	29
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	2,458	-	-
Unamortized leases	-	-	-	-
Total deferred inflows of resources	-	2,458	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	9,066	1,865	1,634	3,004
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	9,066	1,865	1,634	3,004
Total liabilities, deferred inflows of resources, and fund balances	$ 9,101	$ 4,329	$ 1,634	$ 3,033

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	State Housing Incentives Partnership Program	Human Services Grants	Lee County Library	E 9-1-1
ASSETS				
Cash, cash equivalents and investments	$ 27,169	$ 403	$ 24,229	$ 5,668
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables				
Accounts (net)	-	-	33	-
Special assessments	-	-	-	-
Accrued interest	34	1	47	8
Leases	-	-	-	-
Due from other funds	-	-	340	-
Due from other governments	-	123	232	-
Inventory	-	-	-	-
Advances	-	-	10,000	-
Total assets	27,203	527	34,881	5,676
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	97	26	286	771
Accrued liabilities	-	-	253	9
Due to other funds	-	4	-	-
Due to other governments	-	-	127	6
Deposits	-	-	-	-
Unearned revenues	-	278	-	-
Total liabilities	97	308	666	786
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Unamortized leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	10,000	-
Restricted	27,106	219	-	4,890
Committed	-	-	24,215	-
Unassigned	-	-	-	-
Total fund balances	27,106	219	34,215	4,890
Total liabilities, deferred inflows of resources, and fund balances	$ 27,203	$ 527	$ 34,881	$ 5,676

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	MSTU	Tourist Development Trust Fund	Transportation Trust	All Hazards Protection
ASSETS				
Cash, cash equivalents and investments	$ 29,555	$ 52,352	$ 4,895	$ 800
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables				
Accounts (net)	12	150	317	-
Special assessments	-	-	-	-
Accrued interest	37	150	8	3
Leases	-	44,488	44	-
Due from other funds	586	48	-	34
Due from other governments	812	24	1,795	3,551
Inventory	62	1	3,449	-
Advances	-	-	-	-
Total assets	31,064	97,213	10,508	4,388
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	801	647	931	282
Accrued liabilities	522	64	309	21
Due to other funds	-	68	-	-
Due to other governments	347	37	156	17
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	1,670	816	1,396	320
Deferred inflows of resources:				
Accounts receivable	-	-	600	-
Grants receivable	-	-	-	3,445
Special assessment receivable	-	-	-	-
Unamortized leases	-	44,207	44	-
Total deferred inflows of resources	-	44,207	644	3,445
Fund Balances:				
Nonspendable	62	1	3,449	-
Restricted	-	52,189	-	623
Committed	29,332	-	5,019	-
Unassigned	-	-	-	-
Total fund balances	29,394	52,190	8,468	623
Total liabilities, deferred inflows of resources, and fund balances	$ 31,064	$ 97,213	$ 10,508	$ 4,388

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	Impact Fees-Community Parks	Impact Fees-Regional Parks	Impact Fees-Roads	Impact Fees-EMS
ASSETS				
Cash, cash equivalents and investments	$ 3,091	$ 2,928	$ 71,993	$ 1,610
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables				
Accounts (net)	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	4	3	94	3
Leases	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Advances	-	-	-	-
Total assets	3,095	2,931	72,087	1,613
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	-	5	-
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	-	5	-
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Unamortized leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	3,095	2,931	72,082	1,613
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	3,095	2,931	72,082	1,613
Total liabilities, deferred inflows of resources, and fund balances	$ 3,095	$ 2,931	$ 72,087	$ 1,613

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	Impact Fees - Fire	Impact Fees - School	Animal Trust Fund	Disaster Recovery
ASSETS				
Cash, cash equivalents and investments	$ 1,358	$ 9,378	$ 1,260	$ -
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables				
Accounts (net)	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	1	7	2	-
Leases	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Advances	-	-	-	-
Total assets	1,359	9,385	1,262	-
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	11	5	19	2,227
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	738
Due to other governments	1,348	9,326	-	-
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	1,359	9,331	19	2,965
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Unamortized leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	54	-	-
Committed	-	-	1,243	-
Unassigned	-	-	-	(2,965)
Total fund balances	-	54	1,243	(2,965)
Total liabilities, deferred inflows of resources, and fund balances	$ 1,359	$ 9,385	$ 1,262	$ -

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	Court Administration	Clerk of Circuit Court's Special Revenue	Property Appraiser's Special Revenues	Sheriff's Special Revenues
ASSETS				
Cash, cash equivalents and investments	$ 1,030	$ 25,090	$ 252	$ 893
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables				
Accounts (net)	-	44	-	628
Special assessments	-	-	-	-
Accrued interest	3	-	-	-
Leases	-	-	-	-
Due from other funds	373	-	-	80
Due from other governments	442	111	-	1,089
Inventory	-	-	-	-
Advances	-	-	-	-
Total assets	1,848	25,245	252	2,690
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	327	273	2	101
Accrued liabilities	283	342	20	143
Due to other funds	2	300	230	1,413
Due to other governments	264	2,820	-	5
Deposits	-	8,563	-	-
Unearned revenues	-	-	-	200
Total liabilities	876	12,298	252	1,862
Deferred inflows of resources:				
Accounts receivable	-	70	-	-
Grants receivable	-	-	-	847
Special assessment receivable	-	-	-	-
Unamortized leases	-	-	-	-
Total deferred inflows of resources	-	70	-	847
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	8,685	-	814
Committed	972	4,262	-	-
Unassigned	-	(70)	-	(833)
Total fund balances	972	12,877	-	(19)
Total liabilities, deferred inflows of resources, and fund balances	$ 1,848	$ 25,245	$ 252	$ 2,690

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Debt Service Funds			Capital Projects Funds
	Tourist Development Tax Revenue Bonds	Non-Ad Valorem Revenue Bonds	Local Option Gas Tax Revenue Bonds	Capital Improvement
ASSETS				
Cash, cash equivalents and investments	$ 5,055	$ 35	$ 774	$ 155,803
Cash and cash equivalents with fiscal agent	3,880	13,108	-	-
Receivables				
Accounts (net)	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	-	-	-	214
Leases	-	-	-	-
Due from other funds	8	-	-	4
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Advances	-	-	-	-
Total assets	8,943	13,143	774	156,021
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	-	-	4,776
Accrued liabilities	-	-	-	31
Due to other funds	47	-	-	-
Due to other governments	-	-	-	1,149
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	47	-	-	5,956
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Unamortized leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	8,896	13,143	774	-
Committed	-	-	-	150,065
Unassigned	-	-	-	-
Total fund balances	8,896	13,143	774	150,065
Total liabilities, deferred inflows of resources, and fund balances	$ 8,943	$ 13,143	$ 774	$ 156,021

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Capital Projects Funds			
	Special Assessment Districts Construction	Local Option Gax Tax Construction	Human Services Grant Construction	Library Construction Projects
ASSETS				
Cash, cash equivalents and investments	$ 879	$ 98,169	$ 44	$ 2,181
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables				
Accounts (net)	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	1	-	-	3
Leases	-	-	-	-
Due from other funds	-	319	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Advances	-	-	-	-
Total assets	880	98,488	44	2,184
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	1,363	-	266
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	1,363	-	266
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Unamortized leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	880	97,125	44	-
Committed	-	-	-	1,918
Unassigned	-	-	-	-
Total fund balances	880	97,125	44	1,918
Total liabilities, deferred inflows of resources, and fund balances	$ 880	$ 98,488	$ 44	$ 2,184

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Capital Projects Funds			
	All Hazards Protection Construction Projects	Impact Fees Community Parks Construction	Impact Fees Regional Parks Construction	Impact Fees Road Construction
ASSETS				
Cash, cash equivalents and investments	$ 300	$ 7,576	$ 3,023	$ 49,771
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables				
Accounts (net)	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	-	10	5	70
Leases	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Advances	-	-	-	-
Total assets	300	7,586	3,028	49,841
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	171	1,862	571
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deposits	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	171	1,862	571
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Grants receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Unamortized leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	300	7,415	1,166	49,270
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	300	7,415	1,166	49,270
Total liabilities, deferred inflows of resources, and fund balances	$ 300	$ 7,586	$ 3,028	$ 49,841

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Capital Projects Funds	
	Impact Fees EMS Construction	Total Non-Major Governmental Funds
ASSETS		
Cash, cash equivalents and investments	$ 99	$ 602,712
Cash and cash equivalents with fiscal agent	-	16,988
Receivables		
Accounts (net)	-	1,184
Special assessments	-	2,220
Accrued interest	-	967
Leases	-	44,532
Due from other funds	-	2,329
Due from other governments	-	8,211
Inventory	-	3,512
Advances	-	10,000
Total assets	99	692,655
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities:		
Contracts and accounts payable	-	15,852
Accrued liabilities	-	2,011
Due to other funds	-	2,816
Due to other governments	-	15,609
Deposits	-	8,563
Unearned revenues	-	481
Total liabilities	-	45,332
Deferred inflows of resources:		
Accounts receivable	-	670
Grants receivable	-	4,292
Special assessment receivable	-	2,458
Unamortized leases	-	44,251
Total deferred inflows of resources	-	51,671
Fund Balances:		
Nonspendable	-	13,512
Restricted	99	368,982
Committed	-	217,026
Unassigned	-	(3,868)
Total fund balances	99	595,652
Total liabilities, deferred inflows of resources, and fund balances	$ 99	$ 692,655

See accompanying independent auditor's report.

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	Municipal Service Benefit Unit Districts	Special Assessment Districts	Law Enforcement Trust	Special Revenue Projects
REVENUES				
Taxes	$ 7,488	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	25	-	-	1,396
Charges for services	-	210	-	627
Fines and forfeitures	-	-	1,492	190
Impact fees	-	-	-	-
Special assessments	-	778	-	-
Investment earnings	206	96	53	82
Miscellaneous	39	1	-	595
Total revenues	7,758	1,085	1,545	2,890
EXPENDITURES				
Current				
General government	151	454	-	920
Public safety	1,725	-	-	38
Physical environment	-	-	-	850
Transportation	3,599	140	-	-
Economic environment	-	-	-	-
Human services	-	-	-	1,334
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	24
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	5,475	594	-	3,166
Excess (deficiencies) of revenue over (under) expenditures	2,283	491	1,545	(276)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	34	1	-	-
Transfer out	(53)	(810)	(1,660)	-
Debt issuance	-	-	-	-
SBITA issuance	-	-	-	-
Total other financing sources (uses)	(19)	(809)	(1,660)	-
Net change in fund balances	2,264	(318)	(115)	(276)
Fund balances - beginning	6,802	2,183	1,749	3,280
Fund balances - ending	$ 9,066	$ 1,865	$ 1,634	$ 3,004

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	State Housing Incentives Partnership Program	Human Services Grants	Lee County Library	E 9-1-1
REVENUES				
Taxes	$ -	$ -	$ 45,484	$ -
Licenses and permits	-	-	-	-
Intergovernmental	22,729	5,522	777	4,134
Charges for services	-	-	90	-
Fines and forfeitures	-	-	168	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Investment earnings	(530)	8	1,269	109
Miscellaneous	100	-	106	-
Total revenues	22,299	5,530	47,894	4,243
EXPENDITURES				
Current				
General government	-	-	1,515	223
Public safety	-	-	-	3,039
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	2,394	5,522	-	-
Human services	-	-	-	-
Culture and recreation	-	-	34,710	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	122
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	142	-
Debt service				
Principal retirement	-	-	229	-
Interest and fiscal charges	-	-	68	-
Total expenditures	2,394	5,522	36,664	3,384
Excess (deficiencies) of revenue over (under) expenditures	19,905	8	11,230	859
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	-	208	-
Transfer out	-	-	(300)	-
Debt issuance	-	-	-	-
SBITA issuance	-	-	-	-
Total other financing sources (uses)	-	-	(92)	-
Net change in fund balances	19,905	8	11,138	859
Fund balances - beginning	7,201	211	23,077	4,031
Fund balances - ending	$ 27,106	$ 219	$ 34,215	$ 4,890

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	MSTU	Tourist Development Trust	Transportation Trust	All Hazards Protection
REVENUES				
Taxes	$ 45,073	$ 36,711	$ -	$ 4,582
Licenses and permits	16,077	-	389	-
Intergovernmental	951	549	10,610	14,245
Charges for services	9,024	1,096	747	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	72
Investment earnings	903	2,132	(49)	290
Miscellaneous	214	150	2,368	25
Total revenues	72,242	40,638	14,065	19,214
EXPENDITURES				
Current				
General government	11,672	1,382	1,895	11,456
Public safety	16,607	-	-	3,066
Physical environment	5,245	-	-	-
Transportation	-	-	39,232	-
Economic environment	-	19,203	-	-
Human services	6,546	-	-	-
Culture and recreation	15,272	25	-	-
Capital outlay				
General government	236	-	-	-
Public safety	3,087	-	-	6,150
Physical environment	62	-	-	-
Transportation	-	-	1,818	-
Economic environment	-	49	-	-
Human services	8	-	-	-
Culture and recreation	10	-	-	-
Debt service				
Principal retirement	750	-	296	-
Interest and fiscal charges	-	-	16	-
Total expenditures	59,495	20,659	43,257	20,672
Excess (deficiencies) of revenue over (under) expenditures	12,747	19,979	(29,192)	(1,458)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	21,791	9,075	31,545	21
Transfer out	(34,433)	(29,990)	-	(30)
Debt issuance	-	-	486	-
SBITA issuance	2,696	-	-	-
Total other financing sources (uses)	(9,946)	(20,915)	32,031	(9)
Net change in fund balances	2,801	(936)	2,839	(1,467)
Fund balances - beginning	26,593	53,126	5,629	2,090
Fund balances - ending	$ 29,394	$ 52,190	$ 8,468	$ 623

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	Impact Fees-Community Parks	Impact Fees-Regional Parks	Impact Fees-Roads	Impact Fees-EMS
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	2,733	2,563	33,932	370
Special assessments	-	-	-	-
Investment earnings	234	16	336	108
Miscellaneous	261	-	-	-
Total revenues	3,228	2,579	34,268	478
EXPENDITURES				
Current				
General government	1	1	12	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1	1	12	-
Excess (deficiencies) of revenue over (under) expenditures	3,227	2,578	34,256	478
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	-	-	-
Transfer out	(4,750)	(1,400)	(4,595)	(1,030)
Debt issuance	-	-	-	-
SBITA issuance	-	-	-	-
Total other financing sources (uses)	(4,750)	(1,400)	(4,595)	(1,030)
Net change in fund balances	(1,523)	1,178	29,661	(552)
Fund balances - beginning	4,618	1,753	42,421	2,165
Fund balances - ending	$ 3,095	$ 2,931	$ 72,082	$ 1,613

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	Impact Fees-Fire	Impact Fees-School	Animal Trust Fund	Disaster Recovery
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	5	-
Fines and forfeitures	-	-	-	-
Impact fees	4,210	34,351	-	-
Special assessments	-	-	-	-
Investment earnings	19	142	21	-
Miscellaneous	-	-	538	-
Total revenues	4,229	34,493	564	-
EXPENDITURES				
Current				
General government	-	34,457	-	-
Public safety	4,229	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	2,965
Human services	-	-	254	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	4,229	34,457	254	2,965
Excess (deficiencies) of revenue over (under) expenditures	-	36	310	(2,965)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	-	-	-
Transfer out	-	-	-	-
Debt issuance	-	-	-	-
SBITA issuance	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	36	310	(2,965)
Fund balances - beginning	-	18	933	-
Fund balances - ending	$ -	$ 54	$ 1,243	$ (2,965)

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Special Revenue Funds			
	Court Administration	Clerk of Circuit Court's Special Revenue	Property Appraiser's Special Revenues	Sheriff's Special Revenues
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	1,107	-	10,100
Charges for services	4,398	13,458	-	7,153
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Investment earnings	42	1,573	-	-
Miscellaneous	399	6	-	6
Total revenues	4,839	16,144	-	17,259
EXPENDITURES				
Current				
General government	15,904	17,127	1,300	-
Public safety	-	-	-	18,656
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	340	2,992	11	-
Public safety	-	-	-	1,804
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	287	369	487	-
Interest and fiscal charges	44	-	67	-
Total expenditures	16,575	20,488	1,865	20,460
Excess (deficiencies) of revenue over (under) expenditures	(11,736)	(4,344)	(1,865)	(3,201)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	12,265	-	2,078	1,510
Transfer out	-	-	(213)	-
Debt issuance	-	-	-	-
SBITA issuance	-	1,255	-	-
Total other financing sources (uses)	12,265	1,255	1,865	1,510
Net change in fund balances	529	(3,089)	-	(1,691)
Fund balances - beginning	443	15,966	-	1,672
Fund balances - ending	$ 972	$ 12,877	$ -	$ (19)

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Debt Service Funds			
	Tourist Development Tax Revenue Bonds	Non-Ad Valorem Revenue Bonds	MSBU Projects Commercial Loan	Non-Ad Valorem Line of Credit
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Investment earnings	331	310	-	-
Miscellaneous	-	-	-	-
Total revenues	331	310	-	-
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	1,600	11,225	703	-
Interest and fiscal charges	4,300	2,926	109	255
Total expenditures	5,900	14,151	812	255
Excess (deficiencies) of revenue over (under) expenditures	(5,569)	(13,841)	(812)	(255)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	9,053	14,140	809	255
Transfer out	(3,372)	-	-	-
Debt issuance	-	-	-	-
SBITA issuance	-	-	-	-
Total other financing sources (uses)	5,681	14,140	809	255
Net change in fund balances	112	299	(3)	-
Fund balances - beginning	8,784	12,844	3	-
Fund balances - ending	$ 8,896	$ 13,143	$ -	$ -

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Debt Service Funds	Capital Projects Funds		
	Local Option Gas Tax Revenue Bonds	Capital Improvement	Special Assessment Districts Construction	Local Option Gax Tax Construction
REVENUES				
Taxes	$ -	$ 1	$ -	$ -
Licenses and permits	-	297	-	-
Intergovernmental	-	820	-	-
Charges for services	-	235	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Investment earnings	46	3,501	34	4,830
Miscellaneous	-	1,302	-	-
Total revenues	46	6,156	34	4,830
EXPENDITURES				
Current				
General government	-	936	-	-
Public safety	-	-	-	-
Physical environment	-	4,019	48	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	11,354	-	-
Capital outlay				
General government	-	1,241	-	-
Public safety	-	-	-	-
Physical environment	-	1,083	-	-
Transportation	-	55	-	8,186
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	978	-	-
Debt service				
Principal retirement	-	162	-	-
Interest and fiscal charges	4,757	28	-	-
Total expenditures	4,757	19,856	48	8,186
Excess (deficiencies) of revenue over (under) expenditures	(4,711)	(13,700)	(14)	(3,356)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	4,600	48,230	-	-
Transfer out	-	(7,917)	-	-
Debt issuance	-	-	-	-
SBITA issuance	-	-	-	-
Total other financing sources (uses)	4,600	40,313	-	-
Net change in fund balances	(111)	26,613	(14)	(3,356)
Fund balances - beginning	885	123,452	894	100,481
Fund balances - ending	$ 774	$ 150,065	$ 880	$ 97,125

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Capital Projects Funds			
	Human Services Grant Construction	Library Construction Projects	All Hazards Protection Construction Projects	Impact Fees Community Parks Construction
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Investment earnings	2	396	10	90
Miscellaneous	-	-	-	-
Total revenues	2	396	10	90
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	2,858	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	1,039	-	2,379
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	3,897	-	2,379
Excess (deficiencies) of revenue over (under) expenditures	2	(3,501)	10	(2,289)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	-	-	4,750
Transfer out	-	-	-	-
Debt issuance	-	-	-	-
SBITA issuance	-	-	-	-
Total other financing sources (uses)	-	-	-	4,750
Net change in fund balances	2	(3,501)	10	2,461
Fund balances - beginning	42	5,419	290	4,954
Fund balances - ending	$ 44	$ 1,918	$ 300	$ 7,415

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Capital Projects Funds			
	Impact Fees Regional Parks Construction	Impact Fees Road Construction	Impact Fees EMS Construction	Line of Credit Construction
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Investment earnings	335	1,628	2	-
Miscellaneous	-	-	-	-
Total revenues	335	1,628	2	-
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	1,000	-
Physical environment	-	-	-	-
Transportation	-	4,455	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	6,540	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	6,540	4,455	1,000	-
Excess (deficiencies) of revenue over (under) expenditures	(6,205)	(2,827)	(998)	-
OTHER FINANCING SOURCES AND (USES)				
Transfers in	1,400	4,595	1,030	-
Transfer out	-	-	-	(250)
Debt issuance	-	-	-	250
SBITA issuance	-	-	-	-
Total other financing sources (uses)	1,400	4,595	1,030	-
Net change in fund balances	(4,805)	1,768	32	-
Fund balances - beginning	5,971	47,502	67	-
Fund balances - ending	$ 1,166	$ 49,270	$ 99	$ -

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Total Non-Major Governmental Funds
REVENUES	
Taxes	$ 139,339
Licenses and permits	16,763
Intergovernmental	72,965
Charges for services	37,043
Fines and forfeitures	1,850
Impact fees	78,159
Special assessments	850
Investment earnings	18,575
Miscellaneous	6,110
Total revenues	371,654
EXPENDITURES	
Current	
General government	99,406
Public safety	47,360
Physical environment	10,162
Transportation	42,971
Economic environment	30,084
Human services	8,134
Culture and recreation	64,219
Capital outlay	
General government	4,820
Public safety	12,187
Physical environment	1,145
Transportation	14,514
Economic environment	49
Human services	8
Culture and recreation	11,088
Debt service	
Principal retirement	16,108
Interest and fiscal charges	12,570
Total expenditures	374,825
Excess (deficiencies) of revenue over (under) expenditures	(3,171)
OTHER FINANCING SOURCES AND (USES)	
Transfers in	167,390
Transfer out	(90,803)
Debt issuance	736
SBITA issuance	3,951
Total other financing sources (uses)	81,274
Net change in fund balances	78,103
Fund balances - beginning	517,549
Fund balances - ending	$ 595,652

See accompanying independent auditor's report.

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - GAAP Municipal Service Benefit Unit Districts		Non - GAAP Special Assessment Districts		Non - GAAP Law Enforcement Trust	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ 7,458	$ 7,488	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	25	-	-	-	-
Charges for services	-	-	210	210	-	-
Fines and forfeitures	-	-	-	-	1,801	1,492
Impact fees	-	-	-	-	-	-
Special assessments	-	-	810	778	-	-
Investment earnings	31	234	8	52	5	35
Miscellaneous	-	39	-	1	-	-
Total revenues	7,489	7,786	1,028	1,041	1,806	1,527
EXPENDITURES						
Current						
General government	149	151	773	454	1	-
Public safety	1,725	1,725	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	5,588	3,599	195	140	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	7,462	5,475	968	594	1	-
Excess (deficiencies) of revenues over (under) expenditures	27	2,311	60	447	1,805	1,527
OTHER FINANCING SOURCES (USES)						
Transfers in	32	34	845	246	-	-
Transfers out	(46)	(53)	(1,365)	(1,055)	(1,660)	(1,660)
Debt issuance	-	-	-	-	-	-
SBITA issuance	-	-	-	-	-	-
Total other financing sources (uses)	(14)	(19)	(520)	(809)	(1,660)	(1,660)
Net change in fund balances	13	2,292	(460)	(362)	145	(133)
Fund balances - beginning	7,230	8,149	2,324	3,403	1,832	1,833
Fund balances - ending	$ 7,243	$ 10,441	$ 1,864	$ 3,041	$ 1,977	$ 1,700

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - GAAP Special Revenue Projects		Non - GAAP State Housing Incentives Partnership Program		Non - GAAP Human Services Grants	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	4,407	1,396	4,690	22,729	16,796	5,522
Charges for services	650	627	-	-	-	-
Fines and forfeitures	301	190	-	-	-	-
Impact fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment earnings	8	52	9	391	1	12
Miscellaneous	595	595	200	100	-	-
Total revenues	5,961	2,860	4,899	23,220	16,797	5,534
EXPENDITURES						
Current						
General government	1,005	920	-	-	-	-
Public safety	63	38	-	-	-	-
Physical environment	974	850	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	4,690	2,394	16,815	5,522
Human services	4,344	1,334	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	20	-	-	-	-	-
Public safety	-	24	-	-	-	-
Physical environment	35	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	6,441	3,166	4,690	2,394	16,815	5,522
Excess (deficiencies) of revenues over (under) expenditures	(480)	(306)	209	20,826	(18)	12
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Debt issuance	-	-	-	-	-	-
SBITA issuance	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	(480)	(306)	209	20,826	(18)	12
Fund balances - beginning	3,442	11,598	7,669	9,817	415	235
Fund balances - ending	$ 2,962	$ 11,292	$ 7,878	$ 30,643	$ 397	$ 247

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - GAAP Lee County Library		Non - GAAP E 9 - 1 - 1		Non - GAAP MSTU	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ 45,609	$ 45,484	$ -	$ -	$ 45,027	$ 45,073
Licenses and permits	-	-	-	-	12,137	16,077
Intergovernmental	709	777	3,550	4,134	7,561	894
Charges for services	74	90	-	-	8,704	9,024
Fines and forfeitures	160	168	-	-	-	-
Impact fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment earnings	140	989	20	115	122	710
Miscellaneous	80	106	-	-	14	214
Total revenues	46,772	47,614	3,570	4,249	73,565	71,992
EXPENDITURES						
Current						
General government	1,345	1,515	384	223	14,303	11,672
Public safety	-	-	3,390	3,039	18,996	16,607
Physical environment	-	-	-	-	8,215	5,241
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	6,912	6,546
Culture and recreation	41,633	34,710	-	-	16,585	15,272
Capital outlay						
General government	-	-	-	-	51	236
Public safety	-	-	1,032	122	2,880	3,087
Physical environment	-	-	-	-	112	62
Transportation	-	-	-	-	2,654	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	8
Culture and recreation	120	142	-	-	-	10
Debt Service						
Principal retirement	149	297	80	-	5	750
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	43,247	36,664	4,886	3,384	70,713	59,491
Excess (deficiencies) of revenues over (under) expenditures	3,525	10,950	(1,316)	865	2,852	12,501
OTHER FINANCING SOURCES (USES)						
Transfers in	265	208	-	-	27,586	27,542
Transfers out	(10,670)	(300)	-	-	(40,125)	(40,184)
Debt issuance	-	-	-	-	-	-
SBITA issuance	-	-	-	-	2,602	2,696
Total other financing sources (uses)	(10,405)	(92)	-	-	(9,937)	(9,946)
Net change in fund balances	(6,880)	10,858	(1,316)	865	(7,085)	2,555
Fund balances - beginning	24,577	24,729	4,295	4,306	27,943	28,535
Fund balances - ending	$ 17,697	$ 35,587	$ 2,979	$ 5,171	$ 20,858	$ 31,090

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - GAAP Tourist Development Trust Fund		Non - GAAP Transportation Trust		Non - GAAP All Hazards Protection	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ 37,000	$ 36,711	$ -	$ -	$ 4,594	$ 4,582
Licenses and permits	-	-	293	389	-	-
Intergovernmental	525	549	10,642	10,866	17,478	17,500
Charges for services	1,045	1,046	539	1,090	-	-
Fines and forfeitures	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-
Special assessments	-	-	-	-	85	72
Investment earnings	8	1,314	10	74	20	167
Miscellaneous	150	167	1,945	2,368	-	25
Total revenues	38,728	39,787	13,429	14,787	22,177	22,346
EXPENDITURES						
Current						
General government	1,558	1,382	1,894	1,895	11,629	11,456
Public safety	-	-	-	-	3,674	3,066
Physical environment	-	-	-	-	-	-
Transportation	-	-	40,295	39,686	-	-
Economic environment	25,756	19,202	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	25	25	-	-	-	-
Capital outlay						
General government	-	-	4	-	-	-
Public safety	-	-	-	-	8,121	6,150
Physical environment	-	-	-	-	-	-
Transportation	-	-	2,592	1,818	-	-
Economic environment	199	49	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	287	296	-	-
Interest and fiscal charges	-	-	27	16	-	-
Total expenditures	27,538	20,658	45,099	43,711	23,424	20,672
Excess (deficiencies) of revenues over (under) expenditures	11,190	19,129	(31,670)	(28,924)	(1,247)	1,674
OTHER FINANCING SOURCES (USES)						
Transfers in	9,429	9,075	31,545	31,545	25	21
Transfers out	(34,207)	(29,990)	-	-	(25)	(30)
Debt issuance	-	-	-	486	-	-
SBITA issuance	-	-	-	-	-	-
Total other financing sources (uses)	(24,778)	(20,915)	31,545	32,031	-	(9)
Net change in fund balances	(13,588)	(1,786)	(125)	3,107	(1,247)	1,665
Fund balances - beginning	56,270	56,500	2,733	4,157	2,347	2,453
Fund balances - ending	$ 42,682	$ 54,714	$ 2,608	$ 7,264	$ 1,100	$ 4,118

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - GAAP Impact Fees - Community Parks		Non - GAAP Impact Fees - Regional Parks		Non - GAAP Impact Fees - Roads	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Impact fees	1,930	2,733	1,700	2,563	20,501	33,932
Special assessments	-	-	-	-	-	-
Investment earnings	7	101	13	55	110	1,337
Miscellaneous	-	261	-	-	-	-
Total revenues	1,937	3,095	1,713	2,618	20,611	35,269
EXPENDITURES						
Current						
General government	20	1	5	1	279	12
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	20	1	5	1	279	12
Excess (deficiencies) of revenues over (under) expenditures	1,917	3,094	1,708	2,617	20,332	35,257
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(4,750)	(4,750)	(1,400)	(1,400)	(4,595)	(4,595)
Debt issuance	-	-	-	-	-	-
SBITA issuance	-	-	-	-	-	-
Total other financing sources (uses)	(4,750)	(4,750)	(1,400)	(1,400)	(4,595)	(4,595)
Net change in fund balances	(2,833)	(1,656)	308	1,217	15,737	30,662
Fund balances - beginning	4,905	7,317	1,859	1,799	45,051	41,701
Fund balances - ending	$ 2,072	$ 5,661	$ 2,167	$ 3,016	$ 60,788	$ 72,363

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - GAAP Impact Fees - EMS		Impact Fees - Fire		Non - GAAP Impact Fees - School	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Impact fees	255	370	5,243	4,210	37,727	34,351
Special assessments	-	-	-	-	-	-
Investment earnings	4	53	1	19	40	142
Miscellaneous	-	-	-	-	-	-
Total revenues	259	423	5,244	4,229	37,767	34,493
EXPENDITURES						
Current						
General government	12	-	-	-	37,784	34,457
Public safety	-	-	5,244	4,229	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	12	-	5,244	4,229	37,784	34,457
Excess (deficiencies) of revenues over (under) expenditures	247	423	-	-	(17)	36
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(1,030)	(1,030)	-	-	-	-
Debt issuance	-	-	-	-	-	-
SBITA issuance	-	-	-	-	-	-
Total other financing sources (uses)	(1,030)	(1,030)	-	-	-	-
Net change in fund balances	(783)	(607)	-	-	(17)	36
Fund balances - beginning	2,301	2,304	-	-	17	17
Fund balances - ending	$ 1,518	$ 1,697	$ -	$ -	$ -	$ 53

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - GAAP Animal Trust Fund		Disaster Recovery		Non - GAAP Court Administration	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	3,000	-	-	-
Charges for services	4	5	-	-	4,734	4,398
Fines and forfeitures	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment earnings	2	26	-	-	7	46
Miscellaneous	444	538	-	-	384	399
Total revenues	450	569	3,000	-	5,125	4,843
EXPENDITURES						
Current						
General government	-	-	-	-	17,930	15,904
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	3,000	2,965	-	-
Human services	576	254	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	822	340
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	331
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	576	254	3,000	2,965	18,752	16,575
Excess (deficiencies) of revenues over (under) expenditures	(126)	315	-	(2,965)	(13,627)	(11,732)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	14,115	12,580
Transfers out	-	-	-	-	(450)	(315)
Debt issuance	-	-	-	-	-	-
SBITA issuance	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	13,665	12,265
Net change in fund balances	(126)	315	-	(2,965)	38	533
Fund balances - beginning	992	992	-	-	491	625
Fund balances - ending	$ 866	$ 1,307	$ -	$ (2,965)	$ 529	$ 1,158

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - GAAP Clerk of Circuit Court's Special Revenue		Property Appraiser's Special Revenues	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	1,034	1,177	-	-
Charges for services	15,315	13,458	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Investment earnings	38	1,573	-	-
Miscellaneous	1	6	-	-
Total revenues	16,388	16,214	-	-
EXPENDITURES				
Current				
General government	22,266	17,127	2,059	1,300
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	2,222	2,992	19	11
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt Service				
Principal retirement	-	369	-	487
Interest and fiscal charges	-	-	-	67
Total expenditures	24,488	20,488	2,078	1,865
Excess (deficiencies) of revenues over (under) expenditures	(8,100)	(4,274)	(2,078)	(1,865)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	2,078	2,078
Transfers out	-	-	-	(213)
Debt issuance	-	-	-	-
SBITA issuance	1,255	1,255	-	-
Total other financing sources (uses)	1,255	1,255	2,078	1,865
Net change in fund balances	(6,845)	(3,019)	-	-
Fund balances - beginning	6,845	15,966	-	-
Fund balances - ending	$ -	$ 12,947	$ -	$ -

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Total		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	$ 139,688	$ 139,338	$ (350)
Licenses and permits	12,430	16,466	4,036
Intergovernmental	70,392	65,569	(4,823)
Charges for services	31,275	29,948	(1,327)
Fines and forfeitures	2,262	1,850	(412)
Impact fees	67,356	78,159	10,803
Special assessments	895	850	(45)
Investment earnings	604	7,497	6,893
Miscellaneous	3,813	4,819	1,006
Total revenues	328,715	344,496	15,781
EXPENDITURES			
Current			
General government	113,396	98,470	14,926
Public safety	33,092	28,704	4,388
Physical environment	9,189	6,091	3,098
Transportation	46,078	43,425	2,653
Economic environment	50,261	30,083	20,178
Human services	11,832	8,134	3,698
Culture and recreation	58,243	50,007	8,236
Capital outlay	-	-	
General government	3,138	3,579	(441)
Public safety	12,033	9,383	2,650
Physical environment	147	62	85
Transportation	5,246	1,818	3,428
Economic environment	199	49	150
Human services	-	8	(8)
Culture and recreation	120	152	(32)
Debt Service			
Principal retirement	521	2,530	(2,009)
Interest and fiscal charges	27	83	(56)
Total expenditures	343,522	282,578	60,944
Excess (deficiencies) of revenues over (under) expenditures	(14,807)	61,918	76,725
OTHER FINANCING SOURCES (USES)			
Transfers in	85,920	83,329	(2,591)
Transfers out	(100,323)	(85,575)	14,748
Debt issuance	-	486	486
SBITA issuance	3,857	3,951	94
Total other financing sources (uses)	(10,546)	2,191	12,737
Net change in fund balances	(25,353)	64,109	89,462
Fund balances - beginning	203,538	226,436	22,898
Fund balances - ending	$ 178,185	$ 290,545	$ 112,360

See accompanying independent auditors' report.

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

DEBT SERVICE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Tourist Development Tax Revenue Bonds		Non - Ad Valorem Revenue Bonds		MSBU Projects Commercial Loan	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Investment earnings	$ 248	$ 331	$ 6	$ 310	$ -	$ -
Total revenues	248	331	6	310	-	-
EXPENDITURES						
Debt Service						
Principal retirement	1,600	1,600	11,225	11,225	703	703
Interest and fiscal charges	4,300	4,300	2,927	2,926	110	109
Total expenditures	5,900	5,900	14,152	14,151	813	812
Excess (deficiencies) of revenues over (under) expenditures	(5,652)	(5,569)	(14,146)	(13,841)	(813)	(812)
OTHER FINANCING SOURCES (USES)						
Transfers in	9,901	9,298	14,414	14,140	813	809
Transfers out	(3,971)	(3,617)	-	-	-	-
Total other financing sources (uses)	5,930	5,681	14,414	14,140	813	809
Net change in fund balances	278	112	268	299	-	(3)
Fund balances - beginning	8,784	8,784	12,844	12,844	3	3
Fund balances - ending	$ 9,062	$ 8,896	$ 13,112	$ 13,143	$ 3	$ -

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

DEBT SERVICE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - Ad Valorem Line of Credit		Local Option Gas Tax Revenue Bonds	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Investment earnings	$ -	$ -	$ -	$ 46
Total revenues	-	-	-	46
EXPENDITURES				
Debt Service				
Principal retirement	-	-	-	-
Interest and fiscal charges	310	255	4,757	4,757
Total expenditures	310	255	4,757	4,757
Excess (deficiencies) of revenues over (under) expenditures	(310)	(255)	(4,757)	(4,711)
OTHER FINANCING SOURCES (USES)				
Transfers in	310	255	4,757	4,600
Transfers out	-	-	-	-
Total other financing sources (uses)	310	255	4,757	4,600
Net change in fund balances	-	-	-	(111)
Fund balances - beginning	-	-	885	885
Fund balances - ending	$ -	$ -	$ 885	$ 774

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

DEBT SERVICE FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Total		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment earnings	$ 254	$ 687	$ 433
Total revenues	254	687	433
EXPENDITURES			
Debt Service			
Principal retirement	13,528	13,528	-
Interest and fiscal charges	12,404	12,347	57
Total expenditures	25,932	25,875	57
Excess (deficiencies) of revenues over (under) expenditures	(25,678)	(25,188)	490
OTHER FINANCING SOURCES (USES)			
Transfers in	30,195	29,102	(1,093)
Transfers out	(3,971)	(3,617)	354
Total other financing sources (uses)	26,224	25,485	(739)
Net change in fund balances	546	297	(249)
Fund balances - beginning	22,516	22,516	-
Fund balances - ending	$ 23,062	$ 22,813	$ (249)

See accompanying independent auditors' report.

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

CAPITAL PROJECTS FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non-GAAP Capital Improvement		Non-GAAP Special Assessment Districts Construction		Local Option Gas Tax Construction	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ 1	$ -	$ -	$ -	$ -
Licenses and permits	200	297	-	-	-	-
Intergovernmental	47,220	820	-	-	-	-
Charges for services	259	235	-	-	-	-
Investment earnings	203	3,149	-	20	15	4,830
Miscellaneous	290	1,302	-	-	-	-
Total revenues	48,172	5,804	-	20	15	4,830
EXPENDITURES						
Current						
General government	993	936	-	-	-	-
Physical environment	33,753	4,019	-	48	-	-
Culture and recreation	38,349	11,354	-	-	-	-
Capital Outlay						
General government	42,527	1,241	300	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	20,095	1,083	-	-	-	-
Transportation	379	55	-	-	100,000	8,186
Economic environment	-	-	-	-	-	-
Culture and recreation	17,192	978	-	-	-	-
Debt Service						
Interest and fiscal charges	2	190	-	-	-	-
Total expenditures	153,290	19,856	300	48	100,000	8,186
Excess (deficiencies) of revenues over (under) expenditures	(105,118)	(14,052)	(300)	(28)	(99,985)	(3,356)
OTHER FINANCING SOURCES (USES)						
Transfers in	52,841	48,465	300	-	-	-
Transfers out	(8,240)	(8,152)	(600)	-	-	-
Debt issuance	-	-	-	-	-	-
Total other financing sources (uses)	44,601	40,313	(300)	-	-	-
Net change in fund balances	(60,517)	26,261	(600)	(28)	(99,985)	(3,356)
Fund balances - beginning	130,630	132,013	952	952	100,481	100,481
Fund balances - ending	$ 70,113	$ 158,274	$ 352	$ 924	$ 496	$ 97,125

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

CAPITAL PROJECTS FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non - GAAP Human Services Grant Construction		Non-GAAP Library Construction Projects		Non-GAAP All Hazards Construction Projects	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	7	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	-	1	3	82	1	7
Miscellaneous	-	-	-	-	-	-
Total revenues	7	1	3	82	1	7
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Culture and recreation	-	-	100	2,858	-	-
Capital Outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	7	-	-	-	-	-
Culture and recreation	-	-	15,421	1,039	-	-
Debt Service						
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	7	-	15,521	3,897	-	-
Excess (deficiencies) of revenues over (under) expenditures	-	1	(15,518)	(3,815)	1	7
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	10,400	-	-	-
Transfers out	-	-	-	-	-	-
Debt issuance	-	-	-	-	-	-
Total other financing sources (uses)	-	-	10,400	-	-	-
Net change in fund balances	-	1	(5,118)	(3,815)	1	7
Fund balances - beginning	45	45	5,841	5,843	308	308
Fund balances - ending	$ 45	$ 46	$ 723	$ 2,028	$ 309	$ 315

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

CAPITAL PROJECTS FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non-GAAP Impact Fees Community Parks Construction		Non-GAAP Impact Fees Regional Parks Construction		Non-GAAP Impact Fees Road Construction	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	5	126	1	113	32	1,117
Miscellaneous	-	-	-	-	-	-
Total revenues	5	126	1	113	32	1,117
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital Outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	52,886	4,455
Economic environment	-	-	-	-	-	-
Culture and recreation	9,895	2,379	7,432	6,540	-	-
Debt Service						
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	9,895	2,379	7,432	6,540	52,886	4,455
Excess (deficiencies) of revenues over (under) expenditures	(9,890)	(2,253)	(7,431)	(6,427)	(52,854)	(3,338)
OTHER FINANCING SOURCES (USES)						
Transfers in	4,750	4,750	1,400	1,400	4,595	4,595
Transfers out	-	-	-	-	-	-
Debt issuance	-	-	-	-	-	-
Total other financing sources (uses)	4,750	4,750	1,400	1,400	4,595	4,595
Net change in fund balances	(5,140)	2,497	(6,031)	(5,027)	(48,259)	1,257
Fund balances - beginning	5,302	5,305	6,347	6,347	50,542	50,554
Fund balances - ending	$ 162	$ 7,802	$ 316	$ 1,320	$ 2,283	$ 51,811

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL CAPITAL PROJECTS FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Non-GAAP Impact Fees EMS Construction		Line of Credit Construction	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	3	-	-
Miscellaneous	-	-	-	-
Total revenues	-	3	-	-
EXPENDITURES				
Current				
General government	-	-	-	-
Physical environment	-	-	-	-
Culture and recreation	-	-	-	-
Capital Outlay				
General government	1,030	-	-	-
Public safety	-	1,000	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Culture and recreation	-	-	-	-
Debt Service				
Interest and fiscal charges	-	-	-	-
Total expenditures	1,030	1,000	-	-
Excess (deficiencies) of revenues over (under) expenditures	(1,030)	(997)	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	1,030	1,030	-	-
Transfers out	-	-	(150,000)	(250)
Debt issuance	-	-	150,000	250
Total other financing sources (uses)	1,030	1,030	-	-
Net change in fund balances	-	33	-	-
Fund balances - beginning	71	71	-	-
Fund balances - ending	$ 71	$ 104	$ -	$ -

See accompanying independent auditors' report.

(continued)

Lee County, Florida

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL

CAPITAL PROJECTS FUNDS

For the Year Ended September 30, 2023

(amounts expressed in thousands)

	Total		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	$ -	$ 1	$ 1
Licenses and permits	200	297	97
Intergovernmental	47,227	820	(46,407)
Charges for services	259	235	(24)
Investment earnings	260	9,448	9,188
Miscellaneous	290	1,302	1,012
Total revenues	48,236	12,103	(36,133)
EXPENDITURES			
Current			
General government	993	936	57
Physical environment	33,753	4,067	29,686
Culture and recreation	38,449	14,212	24,237
Capital Outlay	-	-	
General government	43,857	1,241	42,616
Public safety	-	1,000	(1,000)
Physical environment	20,095	1,083	19,012
Transportation	153,265	12,696	140,569
Economic environment	7	-	7
Culture and recreation	49,940	10,936	39,004
Debt Service			
Interest and fiscal charges	2	190	(188)
Total expenditures	340,361	46,361	294,000
Excess (deficiencies) of revenues over (under) expenditures	(292,125)	(34,258)	257,867
OTHER FINANCING SOURCES (USES)			
Transfers in	75,316	60,240	(15,076)
Transfers out	(158,840)	(8,402)	150,438
Debt issuance	150,000	250	(149,750)
Total other financing sources (uses)	66,476	52,088	(14,388)
Net change in fund balances	(225,649)	17,830	243,479
Fund balances - beginning	300,519	301,919	1,400
Fund balances - ending	$ 74,870	$ 319,749	$ 244,879

See accompanying independent auditors' report.

ENTERPRISE *Funds*



Enterprise Fund Descriptions

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the County is that costs of providing the goods or services to the general public on a continuous basis be financed or recovered primarily through user fees.

Port Authority- The Lee County Port Authority is used to account for the activities related to the operation of the County owned aviation facilities, including Southwest Florida International Airport and Page Field General Aviation Airport.

Water and Wastewater- The Lee County Water and Wastewater System is used to account for the activities related to the operation of the County owned water and wastewater system.

Transportation Facilities- The Lee County Transportation Facilities is used to account for the activities related to the operation of the County owned bridges connecting Sanibel and Captiva Islands to the mainland and the Cities of Cape Coral and Fort Myers.

Solid Waste- The Lee County Solid Waste System is used to account for the provision of Municipal Solid Waste disposal facilities to the general public.

Transit- The Lee County Transit System is used to account for the activities related to the operation of the Lee Tran bus system, a County-wide public transportation service.

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL WITH RECONCILIATION TO GAAP
ENTERPRISE FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Port Authority		Water and Wastewater		Transportation Facilities	
	Budget	Actual	Budget	Actual	Budget	Actual
OPERATING REVENUES						
User fees	$ 70,955	$ 62,145	$ 116,415	$ 114,165	$ -	$ -
Tolls	-	-	-	-	44,400	41,203
Rentals and franchise fees	9,555	9,646	96	190	-	-
Concessions	60,420	57,288	-	-	-	-
Miscellaneous	409	424	1,921	1,953	5	18
Total operating revenues	141,339	129,503	118,432	116,308	44,405	41,221
Less: Rebates	(5,101)	(4,598)	-	-	-	-
Net operating revenues	136,238	124,905	118,432	116,308	44,405	41,221
OPERATING EXPENSES						
Salaries and wages	32,476	33,231	22,410	22,568	4,130	3,847
Employee benefits	10,878	9,779	7,730	7,393	1,651	1,547
Pension and OPEB expense	6,305	6,846	2,683	3,153	528	578
Contractual services, materials, and supplies	41,357	43,151	46,695	40,853	8,919	4,214
Utilities	5,958	6,049	7,115	7,845	228	250
Repairs and maintenance	4,128	4,347	3,748	8,290	240	120
Insurance	3,084	3,208	1,429	1,429	1,502	1,554
Other	4,500	2,330	4,498	4,529	2,769	1,784
Total operating expenses	108,686	108,941	96,308	96,060	19,967	13,894
Operating income (loss)	27,552	15,964	22,124	20,248	24,438	27,327
NON - OPERATING REVENUES (EXPENSES)						
Interest revenue	2,346	20,418	611	6,162	76	828
Taxes	-	-	-	-	-	-
Special assessment collections	-	-	40	70	-	-
Grants	35,432	29,941	14,794	2,986	406	-
Bond proceeds	25,000	3,900	-	-	-	-
Other debt proceeds	-	717	-	843	-	-
Interest expense	(19,325)	(18,872)	(4,203)	(4,313)	(3,187)	(3,187)
Excess fees - City of Sanibel	-	-	-	-	-	(581)
Capital outlay	(253,178)	(143,820)	(201,778)	(80,829)	(13,961)	(482)
Principal retirement	(33,950)	(18,748)	(18,167)	(18,514)	(6,435)	(6,435)
Proceeds from disposal of capital assets	1,509	390	60	171	-	-
Passenger facility charges	24,914	18,177	-	-	-	-
Other revenues	1	2,080	247	974	7,500	251
Other expenses	(892)	(2,330)	(2)	(1)	(1)	(1)
Total non - operating revenues (expenses)	(218,143)	(108,147)	(208,398)	(92,451)	(15,602)	(9,607)
Income (loss) before contributions and transfers	(190,591)	(92,183)	(186,274)	(72,203)	8,836	17,720
Capital grants and contributions	25,565	18,027	13,200	20,870	-	-
Transfers in	161,156	93,427	51,469	34,197	62,641	32,086
Transfers out	(156,026)	(93,427)	(51,469)	(34,197)	(62,641)	(52,988)
Total contributions and transfers	30,695	18,027	13,200	20,870	-	(20,902)
Change in net position	(159,896)	(74,156)	(173,074)	(51,333)	8,836	(3,182)
Total net position - beginning	430,956	416,979	258,309	284,962	22,980	29,968
Total net position - ending	$ 271,060	$ 342,823	$ 85,235	$ 233,629	$ 31,816	$ 26,786
RECONCILIATION OF BUDGETARY BASIS TO GAAP						
Change in net position, budgetary basis		$ (74,156)		$ (51,333)		$ (3,182)
Add(less):						
Accounts receivable adjustments		-		(206)		(1,756)
Bond amortization		6,729		(419)		842
Bond proceeds		(3,900)		-		-
Capital contributions		-		21,839		-
Capital outlay		143,820		80,829		482
Compensated absences		(115)		(381)		(25)
Depreciation and amortization		(26,687)		(50,823)		(6,749)
Fair value adjustment		-		4,269		549
Fixed asset adjustments		-		-		-
Inventory adjustments		(2)		(76)		111
Landfill closure adjustment		-		-		-
Lessor amortization		(298)		32		-
Lease and SBITA adjustments		985		(17)		-
Loss on discontinued projects		(74,725)		(462)		-
Net book value of capital assets disposed		(723)		(256)		-
Other debt proceeds		(717)		(843)		-
Other postemployment benefits plan adjustments		1,447		(1,506)		334
Pension expense adjustments		(8,473)		(5,132)		(754)
Prepaid adjustment		-		82		159
Principal retirement		18,748		18,514		6,435
Special assessment adjustments		-		(70)		-
Change in net position		$ (18,067)		$ 14,041		$ (3,554)

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL WITH RECONCILIATION TO GAAP
ENTERPRISE FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Solid Waste		Other Non-Major Transit		Total		
	Budget	Actual	Budget	Actual	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES							
User fees	$ 128,754	$ 133,458	$ 3,715	$ 3,378	$ 319,839	$ 313,146	$ (6,693)
Tolls	-	-	-	-	44,400	41,203	(3,197)
Rentals and franchise fees	2,776	3,036	175	178	12,602	13,050	448
Concessions	-	-	-	-	60,420	57,288	(3,132)
Miscellaneous	12,385	11,874	-	4	14,720	14,273	(447)
Total operating revenues	143,915	148,368	3,890	3,560	451,981	438,960	(13,021)
Less: Rebates	-	-	-	-	(5,101)	(4,598)	503
Net operating revenues	143,915	148,368	3,890	3,560	446,880	434,362	(12,518)
OPERATING EXPENSES							
Salaries and wages	9,400	9,846	17,012	14,527	85,428	84,019	1,409
Employee benefits	3,187	3,177	6,793	6,426	30,239	28,322	1,917
Pension and OPEB expense	949	1,305	1,868	2,116	12,333	13,998	(1,665)
Contractual services, materials, and supplies	267,678	246,034	5,585	4,432	370,234	338,684	31,550
Utilities	1,499	1,315	497	468	15,297	15,927	(630)
Repairs and maintenance	2,383	2,705	3,099	1,539	13,598	17,001	(3,403)
Insurance	557	559	716	716	7,288	7,466	(178)
Other	2,178	2,039	1,225	1,199	15,170	11,881	3,289
Total operating expenses	287,831	266,980	36,795	31,423	549,587	517,298	32,289
Operating income (loss)	(143,916)	(118,612)	(32,905)	(27,863)	(102,707)	(82,936)	19,771
NON - OPERATING REVENUES (EXPENSES)							
Interest revenue	652	3,336	14	128	3,699	30,872	27,173
Taxes	-	1	-	-	-	1	1
Special assessment collections	-	-	-	-	40	70	30
Grants	162,113	32,098	15,082	11,736	227,827	76,761	(151,066)
Bond proceeds	-	-	-	-	25,000	3,900	(21,100)
Other debt proceeds	-	-	-	-	-	1,560	1,560
Interest expense	(1,692)	(1,524)	-	-	(28,407)	(27,896)	511
Excess fees - City of Sanibel	-	-	-	-	-	(581)	(581)
Capital outlay	(53,998)	(22,855)	(20,653)	(7,311)	(543,568)	(255,297)	288,271
Principal retirement	(6,715)	(6,715)	(125)	-	(65,392)	(50,412)	14,980
Proceeds from disposal of capital assets	200	263	70	79	1,839	903	(936)
Passenger facility charges	-	-	-	-	24,914	18,177	(6,737)
Other revenues	-	32	-	17	7,748	3,354	(4,394)
Other expenses	-	-	-	-	(895)	(2,332)	(1,437)
Total non - operating revenues (expenses)	100,560	4,636	(5,612)	4,649	(347,195)	(200,920)	146,275
Income (loss) before contributions and transfers	(43,356)	(113,976)	(38,517)	(23,214)	(449,902)	(283,856)	166,046
Capital grants and contributions	-	-	21,810	7,347	60,575	46,244	(14,331)
Transfers in	77,353	18,900	17,213	17,206	369,832	195,816	(174,016)
Transfers out	(77,719)	(18,816)	-	-	(347,855)	(199,428)	148,427
Total contributions and transfers	(366)	84	39,023	24,553	82,552	42,632	(39,920)
Change in net position	(43,722)	(113,892)	506	1,339	(367,350)	(241,224)	126,126
Total net position - beginning	153,043	142,024	1,541	(10,263)	866,829	863,670	(3,159)
Total net position - ending	$ 109,321	$ 28,132	$ 2,047	$ (8,924)	$ 499,479	$ 622,446	$ 122,967
RECONCILIATION OF BUDGETARY BASIS TO GAAP							
Change in net position, budgetary basis		$ (113,892)		$ 1,339		$ (241,224)	
Accounts receivable adjustments		-		-		(1,962)	
Bond amortization		853		-		8,005	
Bond proceeds		-		-		(3,900)	
Capital contributions		-		-		21,839	
Capital outlay		22,855		7,311		255,297	
Compensated absences		(113)		(73)		(707)	
Depreciation and amortization		(14,795)		(4,674)		(103,728)	
Fair value adjustment		5,864		(100)		10,582	
Fixed asset adjustments		20		-		20	
Inventory adjustments		-		-		33	
Landfill closure adjustment		2,021		-		2,021	
Lessor amortization		1		-		(265)	
Lease and SBITA adjustments		-		-		968	
Loss on discontinued projects		(42)		-		(75,229)	
Net book value of capital assets disposed		(267)		(494)		(1,740)	
Other debt proceeds		-		-		(1,560)	
Other postemployment benefits plan adjustments		(258)		286		303	
Pension expense adjustments		(2,306)		(3,597)		(20,262)	
Prepaid adjustment		18		(133)		126	
Principal retirement		6,715		-		50,412	
Special assessment adjustments		-		-		(70)	
Change in net position		$ (93,326)		$ (135)		$ (101,041)	

INTERNAL SERVICE *Funds*



Internal Service Fund Descriptions

Internal service funds are used to account for the financing of goods or services provided by one County department or agency to other County departments or agencies on a cost reimbursement basis, including depreciation.

Information Technology- To account for the costs of operating the County data processing facility and telephone communication system. Such costs are billed to other departments at estimated cost of operations, plus amounts for equipment replacement and additions.

Governmental Communications Network- To account for the costs of operating the radio communication system owned by the County. Such costs are billed to other departments at estimated cost of operations, plus amounts for equipment replacement and additions.

Self-Insurance Group Health and Dental- To account for the assessed premiums, claims, and administration of the County for group health and dental insurance. Such costs are billed to other departments and agencies at estimated cost of operations.

Self-Insurance General Liability- To account for the assessed premiums, claims, and administration of the County's risk management, including auto liability, workers' compensation, and property liability. Such costs are billed to other departments and agencies at estimated cost of operations.

Fleet Management- To account for the costs of operation for the repair and maintenance of County owned/leased vehicles and equipment. Such costs are billed to other departments at estimated cost of operations, plus amounts for equipment replacement and additions.

Sheriff's Internal Service- To account for the assessed premiums, claims, and administration of the Sheriff's group health insurance.

Tax Collector's Internal Service- To account for the health, life, dental, and prescription insurance services provided to employees and dependents as well as retirees of the Tax Collector on a cost-reimbursement basis.

Lee County, Florida
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance Group Health and Dental	Self-Insurance General Liability	Fleet Management	Sheriff's Internal Service	Tax Collector's Internal Service	Total
ASSETS								
Current Assets:								
Cash, cash equivalents and investments	$ 9,684	$ 1,163	$ 23,524	$ 11,278	$ 4,531	$ 25,324	$ 1,000	$ 76,504
Receivables								
Accounts (net)	-	389	378	-	9	-	-	776
Leases	-	363	-	-	-	-	-	363
Accrued interest	14	7	36	15	3	-	-	75
Due from other funds	1	112	420	-	-	-	-	533
Due from other governments	21	6	75	-	-	-	-	102
Inventories	-	-	-	-	741	-	-	741
Prepaids	474	582	-	373	2	-	-	1,431
Total current assets	10,194	2,622	24,433	11,666	5,286	25,324	1,000	80,525
Noncurrent Assets:								
Receivables								
Leases	-	4,825	-	-	-	-	-	4,825
Capital assets:								
Non-depreciable								
Land, easements, and rights of way	-	-	-	-	510	-	-	510
Depreciable/amortizable								
Buildings	625	311	-	-	3,227	-	-	4,163
Improvements	-	2	-	-	27	-	-	29
Equipment	10,528	20,553	-	-	42,759	-	-	73,840
Software	-	817	-	-	-	-	-	817
Infrastructure	-	283	-	-	-	-	-	283
Intangible right-to-use building	-	-	-	-	-	812	-	812
Intangible right-to-use machinery and equipment	3,835	-	-	-	-	-	-	3,835
Intangible right-to-use infrastructure	-	10,312	-	-	-	-	-	10,312
Intangible right-to-use SBITA	4,154	-	-	-	-	-	-	4,154
Less accumulated depreciation and amortization	(9,932)	(12,955)	-	-	(29,325)	(135)	-	(52,347)
Total noncurrent assets	9,210	24,148	-	-	17,198	677	-	51,233
Total assets	19,404	26,770	24,433	11,666	22,484	26,001	1,000	131,758
DEFERRED OUTFLOWS OF RESOURCES								
Unamortized pension costs and subsequent contributions	745	50	123	138	799	-	-	1,855
Unamortized other postemployment benefits costs	328	6	70	75	442	-	-	921
Total deferred outflows of resources	1,073	56	193	213	1,241	-	-	2,776

(continued)

Lee County, Florida
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance Group Health and Dental	Self-Insurance General Liability	Fleet Management	Sheriff's Internal Service	Tax Collector's Internal Service	Total
LIABILITIES								
Current liabilities:								
Contracts and accounts payable	698	21	61	285	522	168	-	1,755
Accrued liabilities	61	1	10	10	54	-	-	136
Due to other funds	-	-	-	75	-	-	-	75
Due to other governments	35	133	5	4	68	-	-	245
Leases payable	717	93	-	-	-	57	-	867
SBITA payable	1,308	-	-	-	-	-	-	1,308
Accrued interest payable	195	87	-	-	-	-	-	282
Self-insurance claims payable	-	-	8,528	1,757	-	2,670	-	12,955
Compensated absences	8	-	2	3	14	-	-	27
Total current liabilities	3,022	335	8,606	2,134	658	2,895	-	17,650
Noncurrent liabilities:								
Self-insurance claims payable	-	-	-	9,880	-	-	-	9,880
Compensated absences	146	6	40	50	244	-	-	486
Leases payable	2,085	10,004	-	-	-	647	-	12,736
SBITA payable	1,415	-	-	-	-	-	-	1,415
Advances	-	300	-	-	-	-	-	300
Net pension liability	2,878	175	491	554	3,199	-	-	7,297
Total other postemployment benefits liability	1,975	38	422	452	2,658	-	-	5,545
Total noncurrent liabilities	8,499	10,523	953	10,936	6,101	647	-	37,659
Total liabilities	11,521	10,858	9,559	13,070	6,759	3,542	-	55,309
DEFERRED INFLOWS OF RESOURCES								
Unamortized pension costs	68	2	14	16	91	-	-	191
Unamortized other postemployment benefits costs	1,639	32	350	375	2,206	-	-	4,602
Unamortized leases	-	5,061	-	-	-	-	-	5,061
Total deferred inflows of resources	1,707	5,095	364	391	2,297	-	-	9,854
NET POSITION								
Net investment in capital assets	3,686	9,226	-	-	17,031	-	-	29,943
Unrestricted (deficit)	3,563	1,647	14,703	(1,582)	(2,362)	22,459	1,000	39,428
Total net position	$ 7,249	$ 10,873	$ 14,703	$ (1,582)	$ 14,669	$ 22,459	$ 1,000	$ 69,371

See accompanying independent auditor's report.

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self - Insurance Group Health and Dental	Self - Insurance General Liability	Fleet Management	Sheriff's Internal Service	Tax Collector's Internal Service	Total
OPERATING REVENUES								
User fees	$ 17,753	$ 3,275	$ 90,223	$ 10,796	$ 10,858	$ 37,611	$ 1,000	$ 171,516
Rentals and franchise fees	82	449	-	-	-	-	-	531
Total operating revenues	17,835	3,724	90,223	10,796	10,858	37,611	1,000	172,047
OPERATING EXPENSES								
Salaries and wages	2,560	201	447	515	2,633	-	-	6,356
Employee benefits	691	65	152	162	905	-	-	1,975
Pension and OPEB expense (benefit)	985	(401)	111	261	1,227	-	-	2,183
Contractual services, materials and supplies	6,883	209	4,600	490	3,596	3,191	-	18,969
Utilities	1,707	368	4	5	100	-	-	2,184
Repairs and maintenance	562	843	-	-	3,337	-	-	4,742
Insurance	13	4	-	6,045	49	3,460	-	9,571
Insurance claims	-	-	84,923	3,856	-	33,475	-	122,254
Other	287	151	273	53	462	-	-	1,226
Depreciation and amortization	2,250	1,229	-	-	2,770	68	-	6,317
Total operating expenses	15,938	2,669	90,510	11,387	15,079	40,194	-	175,777
Operating income (loss)	1,897	1,055	(287)	(591)	(4,221)	(2,583)	1,000	(3,730)
NON-OPERATING REVENUES (EXPENSES)								
Investment earnings	164	(7)	834	334	138	314	-	1,777
Grants	-	(141)	-	-	-	-	-	(141)
Interest expense	(221)	(446)	-	-	-	(32)	-	(699)
Gain (loss) on disposal of capital assets	-	528	-	-	181	-	-	709
Other revenues	12	45	4	-	14	-	-	75
Other expenses	(12)	(1)	-	-	-	-	-	(13)
Total non-operating revenues (expenses)	(57)	(22)	838	334	333	282	-	1,708
Income (loss) before transfers	1,840	1,033	551	(257)	(3,888)	(2,301)	1,000	(2,022)
Transfers in	-	-	-	-	4,000	-	-	4,000
Total transfers	-	-	-	-	4,000	-	-	4,000
Change in net position	1,840	1,033	551	(257)	112	(2,301)	1,000	1,978
Total net position - beginning	5,409	9,840	14,152	(1,325)	14,557	24,760	-	67,393
Total net position - ending	$ 7,249	$ 10,873	$ 14,703	$ (1,582)	$ 14,669	$ 22,459	$ 1,000	$ 69,371

See accompanying independent auditors' report.

Lee County, Florida
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance Group Health and Dental	Self-Insurance General Liability	Fleet Management	Sheriff's Internal Service Fund	Tax Collector's Internal Service Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts from customers and users	$ 88	$ 1,660	$ 17,122	$ 3	$ 134	$ -	$ -	$ 19,007
Receipts from interfund services provided	17,751	1,637	73,243	10,793	10,745	37,611	1,000	152,780
Payments to suppliers	(9,544)	(1,229)	(91,744)	(10,096)	(7,232)	(39,822)	-	(159,667)
Payments to employees	(3,138)	(311)	(539)	(625)	(3,303)	-	-	(7,916)
Payments for interfund services used	(503)	(216)	(148)	(159)	(916)	-	-	(1,942)
Net cash provided by (used in) operating activities	4,654	1,541	(2,066)	(84)	(572)	(2,211)	1,000	2,262
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Non-capital grant issued	-	(70)	-	-	-	-	-	(70)
Proceeds of loans from other funds	-	300	-	-	-	-	-	300
Transfer in	-	-	-	-	4,000	-	-	4,000
Net cash provided by (used in) noncapital financing activities	-	230	-	-	4,000	-	-	4,230
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Capital asset purchases	(53)	(1,724)	-	-	(4,075)	-	-	(5,852)
Principal paid on bonds, loans, leases, and interfund loans	(2,258)	(73)	-	-	-	(55)	-	(2,386)
Interest paid on bonds, loans, leases, and interfund loans	(39)	(446)	-	-	-	(32)	-	(517)
Proceeds from sale of capital assets	-	1,187	-	-	341	-	-	1,528
Net cash (used in) capital and related financing activities	(2,350)	(1,056)	-	-	(3,734)	(87)	-	(7,227)
CASH FLOWS FROM INVESTING ACTIVITIES								
Interest on investments	159	(6)	831	333	143	314	-	1,774
Net cash provided by investing activities	159	(6)	831	333	143	314	-	1,774
Net increase (decrease) in cash and equity in pooled cash and investments	2,463	709	(1,235)	249	(163)	(1,984)	1,000	1,039
Cash and cash equivalents at beginning of year	7,221	454	24,759	11,029	4,694	27,308	-	75,465
Cash and cash equivalents at end of year	$ 9,684	$ 1,163	$ 23,524	$ 11,278	$ 4,531	$ 25,324	$ 1,000	$ 76,504
Classified as:								
Current assets	$ 9,684	$ 1,163	$ 23,524	$ 11,278	$ 4,531	$ 25,324	$ 1,000	$ 76,504

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance Group Health and Dental	Self-Insurance General Liability	Fleet Management	Sheriff's Internal Service Fund	Tax Collector's Internal Service Fund	Total
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES								
Purchase of capital assets on account	$ -	$ -	$ -	$ -	$ 168	$ -	$ -	$ 168
Loss on disposal of capital assets	-	(658)	-	-	(160)	-	-	(818)
Capital assets acquired thorugh lease	6,516	-	-	-	-	-	-	6,516
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:								
Operating income (loss)	$ 1,897	$ 1,055	$ (287)	$ (591)	$ (4,221)	$ (2,583)	$ 1,000	$ (3,730)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization	2,250	1,229	-	-	2,770	68	-	6,317
Other revenues	12	45	4	-	14	-	-	75
(Increase) decrease in accounts receivable	-	(343)	73	-	2	-	-	(268)
(Increase) in lease receivable	-	(141)	-	-	-	-	-	(141)
(Increase) decrease in due from other funds	12	(89)	10	-	4	-	-	(63)
(Increase) decrease in due from other governments	(20)	36	55	-	-	-	-	71
(Increase) in inventories	-	-	-	-	(10)	-	-	(10)
(Increase) decrease in other assets	(95)	245	-	6	1	-	-	157
Increase (decrease) in contracts and accounts payable	(25)	(73)	(1,800)	186	62	25	-	(1,625)
(Decrease) in accrued liabilities	(17)	(8)	(2)	(2)	(35)	-	-	(64)
Increase in due to other funds	-	-	-	75	-	-	-	75
(Decrease) in due to other governments	(16)	(5)	(2)	(1)	(29)	-	-	(53)
(Decrease) in unearned revenues	-	(6)	-	-	-	-	-	(6)
Increase (decrease) in compensated absences	35	(17)	9	11	29	-	-	67
Increase in deferred inflows related to leases	-	70	-	-	-	-	-	70
Increase (decrease) in net pension liability	813	(92)	73	142	904	-	-	1,840
(Increase) decrease in deferred outflows related to pensions	(212)	19	(15)	(32)	(219)	-	-	(459)
(Decrease) in deferred inflows related to pensions	(7)	(8)	(2)	-	(6)	-	-	(23)
Increase (decrease) in total other postemployment benefits liability	(37)	(233)	(16)	34	27	-	-	(225)
Decrease in deferred outflows related to other postemployment benefits	49	45	12	3	52	-	-	161
Increase (decrease) in deferred inflows related to other postemployment benefits	15	(188)	(3)	38	83	-	-	(55)
Increase (decrease) in other liabilities	-	-	(175)	47	-	279	-	151
Total adjustments	2,757	486	(1,779)	507	3,649	372	-	5,992
Net cash provided by (used in) operating activities	$ 4,654	$ 1,541	$ (2,066)	$ (84)	$ (572)	$ (2,211)	$ 1,000	$ 2,262

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL WITH RECONCILIATION TO GAAP
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Information Technology		Governmental Communications Network		Self-Insurance Group Health and Dental	
	Budget	Actual	Budget	Actual	Budget	Actual
OPERATING REVENUES						
User fees	$ 17,751	$ 17,753	$ 3,251	$ 3,275	$ 89,389	$ 90,223
Rentals and franchise fees	-	82	439	400	-	-
Total operating revenues	17,751	17,835	3,690	3,675	89,389	90,223
OPERATING EXPENSES						
Salaries and wages	2,601	2,525	348	218	437	438
Employee benefits	702	691	118	65	150	152
Pension and OPEB expense	332	364	72	56	54	62
Contractual services, materials, and supplies	9,674	6,952	272	209	4,784	4,600
Utilities	1,819	1,718	147	118	4	4
Repairs and maintenance	999	577	1,363	847	-	-
Insurance	13	13	4	4	-	-
Insurance claims	-	-	-	-	85,429	85,098
Other	683	287	164	151	289	273
Total operating expenses	16,823	13,127	2,488	1,668	91,147	90,627
Operating income (loss)	928	4,708	1,202	2,007	(1,758)	(404)
NON - OPERATING REVENUES (EXPENSES)						
Interest revenue	10	203	4	12	565	593
Grants	-	-	(147)	(141)	-	-
Other debt proceeds	3,968	6,516	-	-	-	-
Interest expense	-	(39)	-	(446)	-	-
Capital outlay	(6,068)	(6,569)	(519)	(1,700)	-	-
Principal retirement	-	(2,258)	(520)	(73)	-	-
Proceeds from capital asset disposal	-	-	1,200	1,187	-	-
Other revenues	-	12	-	33	-	4
Total non - operating revenues (expenses)	(2,090)	(2,135)	18	(1,128)	565	597
Income (loss) before transfers	(1,162)	2,573	1,220	879	(1,193)	193
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(1,000)	-	-	-
Total transfers	-	-	(1,000)	-	-	-
Change in net position	(1,162)	2,573	220	879	(1,193)	193
Total net position - beginning	6,831	9,334	308	(783)	25,405	26,292
Total net position - ending	$ 5,669	$ 11,907	$ 528	$ 96	$ 24,212	$ 26,485
RECONCILIATION OF BUDGETARY BASIS TO GAAP						
Change in net position, budgetary basis		$ 2,573		$ 879		$ 193
Add(less):						
Capital outlay		6,569		1,700		-
Claims payable adjustment		-		-		175
Compensated absences		(35)		17		(9)
Depreciation and amortization		(2,250)		(1,229)		-
Fair value adjustment		(39)		(30)		241
Inventory adjustment		-		-		-
Lessor amortization		-		58		-
Lease and SBITA adjustments		(194)		11		-
Net book value of capital assets disposed		-		(659)		-
Other debt proceeds		(6,516)		-		-
Other postemployment benefits plan adjustments		(27)		376		7
Pension expense adjustments		(594)		81		(56)
Prepaid adjustments		95		(244)		-
Principal retirement		2,258		73		-
Change in net position		$ 1,840		$ 1,033		$ 551

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL WITH RECONCILIATION TO GAAP
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Self-Insurance General Liability		Fleet Management		Total		
	Budget	Actual	Budget	Actual	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES							
User fees	$ 10,796	$ 10,796	$ 10,650	$ 10,858	$ 131,837	$ 132,905	$ 1,068
Rentals and franchise fees	-	-	-	-	439	482	$ 43
Total operating revenues	10,796	10,796	10,650	10,858	132,276	133,387	1,111
OPERATING EXPENSES							
Salaries and wages	525	504	2,680	2,604	6,591	6,289	302
Employee benefits	163	162	944	905	2,077	1,975	102
Pension and OPEB expense	76	76	355	386	889	944	(55)
Contractual services, materials, and supplies	475	490	3,760	3,606	18,965	15,857	3,108
Utilities	6	5	87	100	2,063	1,945	118
Repairs and maintenance	1	-	3,059	3,337	5,422	4,761	661
Insurance	5,946	6,039	49	49	6,012	6,105	(93)
Insurance claims	7,500	3,809	-	-	92,929	88,907	4,022
Other	66	53	472	462	1,674	1,226	448
Total operating expenses	14,758	11,138	11,406	11,449	136,622	128,009	8,613
Operating income (loss)	(3,962)	(342)	(756)	(591)	(4,346)	5,378	9,724
NON - OPERATING REVENUES (EXPENSES)							
Interest revenue	25	210	12	73	616	1,091	475
Grants	-	-	-	-	(147)	(141)	6
Other debt proceeds	-	-	-	-	3,968	6,516	2,548
Interest expense	-	-	-	-	-	(485)	(485)
Capital outlay	-	-	(8,638)	(3,835)	(15,225)	(12,104)	3,121
Principal retirement	-	-	-	-	(520)	(2,331)	(1,811)
Proceeds from capital asset disposal	-	-	300	341	1,500	1,528	28
Other revenues	-	-	4	14	4	63	59
Total non - operating revenues (expenses)	25	210	(8,322)	(3,407)	(9,804)	(5,863)	3,941
Income (loss) before transfers	(3,937)	(132)	(9,078)	(3,998)	(14,150)	(485)	13,665
Transfers in	-	-	4,000	4,000	4,000	4,000	-
Transfers out	-	-	-	-	(1,000)	-	1,000
Total transfers	-	-	4,000	4,000	3,000	4,000	1,000
Change in net position	(3,937)	(132)	(5,078)	2	(11,150)	3,515	14,665
Total net position - beginning	11,626	9,505	5,115	2,955	49,285	47,303	(1,982)
Total net position - ending	$ 7,689	$ 9,373	$ 37	$ 2,957	$ 38,135	$ 50,818	$ 12,683
RECONCILIATION OF BUDGETARY BASIS TO GAAP							
Change in net position, budgetary basis		$ (132)		$ 2		$ 3,515	
Add(less):							
Capital outlay		-		3,835		12,104	
Claims payable adjustment		(47)		-		128	
Compensated absences		(11)		(29)		(67)	
Depreciation and amortization		-		(2,770)		(6,249)	
Fair value adjustment		124		65		361	
Inventory adjustment		-		10		10	
Lessor amortization		-		-		58	
Lease and SBITA adjustments		-		-		(183)	
Net book value of capital assets disposed		-		(160)		(819)	
Other debt proceeds		-		-		(6,516)	
Other postemployment benefits plan adjustments		(75)		(162)		119	
Pension expense adjustments		(110)		(679)		(1,358)	
Prepaid adjustments		(6)		-		(155)	
Principal retirement		-		-		2,331	
Change in net position		$ (257)		$ 112		$ 3,279	



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FIDUCIARY *Funds*



Custodial Fund Descriptions

Custodial funds are used to account for assets held by the County in a fiduciary capacity for individuals, private organizations, and other governments.

Clerk of Circuit Court- To account for the assets held by the Clerk of Circuit Court in a fiduciary capacity for individuals, organizations, and other governments. The Clerk reports activity for five Custodial Funds: Fines and Forfeitures, Jury and Witness, Delinquent Tax, Registry of Court and Cash Bonds and Deposits.

Tax Collector - To account for the assets held by the Tax Collector in a fiduciary capacity for individuals, organizations, or other governments. These assets are held for the following purposes: Fee Operating Fund, Taxes/Ad Valorem, Taxes-Individual Certificates, Title & Registrations, Driver License, Hunting/Fishing Licenses & Permits, Business Tax/Occupational License, and Concealed Weapon Licenses.

Lee County, Florida
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
As of September 30, 2023
(amounts expressed in thousands)

	Clerk of Circuit Court	Tax Collector	Total
ASSETS			
Cash, cash equivalents and investments	$ 30,294	$ 19,837	$ 50,131
Accounts receivable	-	17	17
Due from other governments	-	1,137	1,137
Total Assets	30,294	20,991	51,285
LIABILITIES AND NET POSITION			
Contracts and accounts payable	16	-	16
Due to individuals		1,288	1,288
Due to other governments	4,963	19,703	24,666
Total Liabilities	4,979	20,991	25,970
Fiduciary Net Position Restricted for			
Individuals, organizations, and other governments	25,315	-	25,315
Total fiduciary net position	25,315	-	25,315
Total liabilities and fiduciary net position	$ 30,294	$ 20,991	$ 51,285

See accompanying independent auditors' report.

Lee County, Florida
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2023
(amounts expressed in thousands)

	Clerk of Circuit Court	Tax Collector	Total
ADDITIONS			
Fees/Fines collected for other governments	$ 196,177	$ 1,537,895	$ 1,734,072
Registry and other deposits collected	50,987	-	50,987
Total additions	247,164	1,537,895	1,785,059
DEDUCTIONS			
Fees/Fines disbursed to other governments	196,177	1,537,895	1,734,072
Registry and other deposits disbursed	54,735	-	54,735
Total deductions	250,912	1,537,895	1,788,807
Change in fiduciary net position	(3,747)	-	(3,747)
Fiduciary net position - beginning	29,062		29,062
Fiduciary net position - ending	$ 25,315	$ -	$ 25,315

See accompanying independent auditors' report.

STATISTICAL *Section*



Statistical Section Descriptions
(unaudited)

The statistical data presents detailed information as a context for understanding Lee County's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt, and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the government provides, and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

Lee County, Florida
SCHEDULE 1
NET POSITION
Last Ten Fiscal Years
(dollars in thousands)

	2014[1]	2015	2016	2017	2018[2]	2019	2020	2021[3]	2022	2023
Governmental Activities										
Net investment in capital assets	$ 1,534,250	$ 1,520,900	$ 1,516,589	$ 1,521,927	$ 1,574,297	$ 1,617,775	$ 1,664,219	$ 1,705,218	$ 1,730,632	$ 1,760,709
Restricted for:										
Capital projects	75,847	105,692	127,648	152,764	167,027	167,230	198,001	203,337	255,645	272,254
Debt service	12,969	8,012	10,011	10,110	22,154	11,609	11,777	11,873	12,626	13,411
Inventory for resale	2,370	2,301	1,562	414	410	404	416	294	294	294
Special revenue funds	63,580	77,274	80,192	84,934	92,651	105,135	123,973	139,896	148,283	195,787
Unrestricted	205,038	(2,694)	(47,729)	(336,609)	(471,805)	(558,635)	(636,341)	(552,416)	(571,973)	(573,236)
Governmental activities net position	1,894,054	1,711,485	1,688,273	1,433,540	1,384,734	1,343,518	1,362,045	1,508,202	1,575,507	1,669,219
Business-type Activities										
Net investment in capital assets	1,073,096	1,097,836	1,123,905	1,162,447	1,167,094	1,205,238	1,247,707	1,291,191	1,365,024	1,420,375
Restricted for:										
Capital projects	51,124	67,931	84,864	98,620	123,244	141,619	134,613	123,254	123,937	121,719
Debt service	30,908	32,265	28,204	33,955	30,937	32,846	36,201	29,291	40,289	47,697
Renewal and replacement	17,481	20,632	24,135	26,120	28,154	23,728	25,710	50,851	42,920	35,535
Unrestricted	304,102	250,618	259,403	187,005	169,639	166,077	123,986	151,022	171,943	17,007
Business-type activities net position	1,476,711	1,469,282	1,520,511	1,508,147	1,519,068	1,569,508	1,568,217	1,645,609	1,744,113	1,642,333
Primary Government										
Net investment in capital assets	2,607,346	2,618,736	2,640,494	2,684,374	2,741,391	2,823,013	2,911,926	2,996,409	3,095,656	3,181,084
Restricted for:										
Capital projects	126,971	173,623	212,512	251,384	290,271	308,849	332,614	326,591	379,582	393,973
Debt service	43,877	40,277	38,215	44,065	53,091	44,455	47,978	41,164	52,915	61,108
Inventory for resale	2,370	2,301	1,562	414	410	404	416	294	294	294
Special revenue funds	63,580	77,274	80,192	84,934	92,651	105,135	123,973	139,896	148,283	195,787
Renewal and replacement	17,481	20,632	24,135	26,120	28,154	23,728	25,710	50,851	42,920	35,535
Unrestricted	509,140	247,924	211,674	(149,604)	(302,166)	(392,558)	(512,355)	(401,394)	(400,030)	(556,229)
Total primary government net position	$ 3,370,765	$ 3,180,767	$ 3,208,784	$ 2,941,687	$ 2,903,802	$ 2,913,026	$ 2,930,262	$ 3,153,811	$ 3,319,620	$ 3,311,552

Note: Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets, restricted, and unrestricted.

1) Fiscal year 2014 reflects a cumulative prior period adjustment for the Clerk's Child Support Enforcement Fund, a non-major special revenue fund, for expenditures omitted in prior years.

2) Fiscal Year 2018 balances are restated due to a prior period adjustment related to OPEB.

3) Fiscal Year 2021 reflects cumulative prior period adjustments for Sheriff claims payable, Sheriff unearned revenues, and the implementation of GASB 84.

Lee County, Florida
SCHEDULE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(dollars in thousands)

	2014[2]	2015	2016	2017	2018[3]	2019	2020	2021[4]	2022	2023
Expenses										
Governmental Activities:										
General government	$ 200,741	$ 208,748	$ 228,779	$ 216,689	$ 259,143	$ 256,680	$ 326,768	$ 327,543	$ 324,127	$ 397,911
Public safety	210,796	209,156	234,012	261,812	281,579	296,367	295,003	270,408	330,695	392,873
Physical environment	21,512	13,919	13,251	13,961	15,393	21,293	16,617	16,160	20,561	31,986
Transportation	57,101	57,719	56,614	66,170	66,161	75,011	76,784	73,550	74,652	86,481
Economic environment	25,048	27,276	28,571	30,898	34,395	34,064	28,478	31,403	37,738	40,110
Human services	20,481	20,273	21,528	22,379	27,512	23,532	24,628	33,767	27,658	32,690
Culture and recreation	71,816	78,393	79,514	81,038	94,304	94,958	86,737	83,611	93,904	102,508
Interest on long-term debt	12,136	11,189	10,494	10,125	9,682	9,387	6,771	6,389	7,554	11,403
Total governmental activities expenses	619,631	626,673	672,763	703,072	788,169	811,292	861,786	842,831	916,889	1,095,962
Business-type Activities:										
Airport	105,761	104,830	118,403	118,706	117,411	119,464	123,601	114,349	127,838	157,683
Water and wastewater	105,469	104,153	107,311	112,498	122,288	137,374	136,499	130,186	144,753	160,107
Transit	23,944	27,171	28,713	30,816	34,879	35,914	32,767	33,415	31,736	40,085
Transportation facilities	27,113	24,064	23,191	23,457	21,118	26,177	23,238	25,408	29,043	25,607
Solid waste	79,264	84,348	90,159	96,222	130,399	105,596	103,896	104,506	115,314	283,893
Total business-type activities expenses	341,551	344,566	367,777	381,699	426,095	424,525	420,001	407,864	448,684	667,375
Total primary government expenses	$ 961,182	$ 971,239	$ 1,040,540	$ 1,084,771	$ 1,214,264	$ 1,235,817	$ 1,281,787	$ 1,250,695	$ 1,365,573	$ 1,763,337
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	$ 65,673	$ 68,019	$ 73,047	$ 70,823	$ 72,749	$ 74,266	$ 74,626	$ 83,955	$ 83,996	$ 87,833
Public safety	39,925	41,707	43,416	41,992	47,012	47,215	44,933	46,608	48,703	51,326
Physical environment	2,184	2,134	2,039	2,088	2,336	2,588	2,529	2,602	2,910	3,163
Transportation	920	905	1,024	1,225	1,107	1,471	1,700	5,167	1,618	2,082
Economic environment	592	550	440	495	633	170	211	88	56	327
Human services	2,099	2,236	2,542	2,643	2,717	2,807	2,620	2,677	2,976	2,979
Culture and recreation	6,396	6,626	6,276	6,343	6,306	6,463	5,339	6,156	7,128	4,013
Operating grants and contributions	32,799	35,056	35,317	35,515	36,129	36,030	103,754	137,039	100,373	170,261
Capital grants and contributions	3,327	6,537	13,870	16,327	14,871	28,071	21,755	66,888	79,660	82,967
Governmental activities program revenues	153,915	163,770	177,971	177,451	183,860	199,081	257,467	351,180	327,420	404,951
Business-type Activities:										
Charges for services:										
Airport	107,250	109,705	111,544	115,401	119,945	123,102	99,562	119,741	148,684	142,803
Water and wastewater	102,740	106,787	108,034	112,021	112,614	115,469	116,654	117,183	117,888	116,340
Transit	3,703	4,000	4,052	4,015	4,063	4,129	2,923	3,262	3,489	3,560
Transportation facilities	41,179	43,083	44,792	44,365	45,678	46,806	42,461	43,399	55,225	41,221
Solid waste	73,264	72,407	76,078	81,541	91,426	93,966	90,415	105,539	125,579	145,344
Operating grants and contributions	6,381	6,493	8,012	6,876	7,206	10,784	50,781	29,258	34,264	77,619
Capital grants and contributions	47,612	40,757	57,482	55,114	45,668	59,398	44,475	72,549	85,783	68,172
Business-type activities program revenues	382,129	383,232	409,994	419,333	426,600	453,654	447,271	490,931	570,912	595,059
Total primary government program revenues	$ 536,044	$ 547,002	$ 587,965	$ 596,784	$ 610,460	$ 652,735	$ 704,738	$ 842,111	$ 898,332	$ 1,000,010

(continued)

Lee County, Florida
SCHEDULE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(dollars in thousands)

	2014[2]	2015	2016	2017	2018[3]	2019	2020	2021[4]	2022	2023
Net (Expense) Revenue[1]										
Governmental Activities	$ (465,716)	$ (462,903)	$ (494,792)	$ (525,621)	$ (604,309)	$ (612,211)	$ (604,319)	$ (491,651)	$ (589,469)	$ (691,011)
Business-type Activities	40,578	38,666	42,217	37,634	505	29,129	27,270	83,067	122,228	(72,316)
Total primary government net expense	$ (425,138)	$ (424,237)	$ (452,575)	$ (487,987)	$ (603,804)	$ (583,082)	$ (577,049)	$ (408,584)	$ (467,241)	$ (763,327)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property taxes	$ 274,203	$ 292,170	$ 308,241	$ 328,696	$ 356,849	$ 372,865	$ 397,610	$ 425,375	$ 437,992	$ 495,744
Gas taxes	18,616	20,157	20,404	20,860	21,244	21,440	20,364	22,530	23,713	26,326
Tourist taxes	33,197	37,560	39,638	39,651	42,346	42,584	37,990	52,822	66,843	36,711
Communication taxes	9,606	9,268	8,705	9,470	7,426	7,299	6,894	6,540	6,721	6,822
Franchise fees	16,330	19,476	17,369	17,209	17,494	18,362	18,176	18,775	22,705	25,937
Local Business taxes	-	-	-	888	972	985	933	929	831	866
Unrestricted grants and contributions	57,258	61,140	63,286	65,326	75,186	73,969	70,123	84,359	104,269	111,962
Investment earnings	866	2,860	4,728	6,109	10,223	20,172	11,113	1,030	(37,478)	42,555
Miscellaneous	16,443	13,698	10,292	9,163	17,791	10,900	15,085	8,964	14,183	34,188
Transfers	(8,396)	12,323	(1,083)	(139)	5,972	2,419	44,558	13,977	16,918	3,612
Total governmental activities general revenues and transfers	418,123	468,652	471,580	497,233	555,503	570,995	622,846	635,301	656,697	784,723
Business-type Activities:										
Property taxes	568	584	1,257	1,864	2,142	2,103	2,266	2,803	3,169	1
Franchise fees	1,654	1,778	1,984	2,464	2,328	2,366	2,383	2,652	2,664	3,025
Investment earnings	605	1,580	3,129	5,210	9,557	17,156	9,465	704	(14,145)	42,401
Miscellaneous	1,139	1,762	1,559	1,921	2,361	2,105	1,883	2,143	1,506	3,446
Special item-loss on discontinued project	-	-	-	-	-	-	-	-	-	(74,725)
Transfers	8,396	(12,323)	1,083	139	(5,972)	(2,419)	(44,558)	(13,977)	(16,918)	(3,612)
Total Business-type activities general revenues, special item, and transfers	12,362	(6,619)	9,012	11,598	10,416	21,311	(28,561)	(5,675)	(23,724)	(29,464)
Total primary government general revenues, special item, and transfers	$ 430,485	$ 462,033	$ 480,592	$ 508,831	$ 565,919	$ 592,306	$ 594,285	$ 629,626	$ 632,973	$ 755,259
Change in Net Position										
Governmental activities	$ (47,593)	$ 5,749	$ (23,212)	$ (28,388)	$ (48,806)	$ (41,216)	$ 18,527	$ 143,650	$ 67,228	$ 93,712
Business-type activities	52,940	32,047	51,229	49,232	10,921	50,440	(1,291)	77,392	98,504	(101,780)
Total primary government	$ 5,347	$ 37,796	$ 28,017	$ 20,844	$ (37,885)	$ 9,224	$ 17,236	$ 221,042	$ 165,732	$ (8,068)

1) Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

2) Fiscal year 2014 reflects a cumulative prior period adjustment for the Clerk's Child Support Enforcement Fund, a non-major special revenue fund, for expenditures omitted in prior years.

3) Fiscal Year 2018 balances are restated due to a prior period adjustment related to OPEB

4) Fiscal Year 2021 reflects cumulative prior period adjustments for Sheriff claims payable, Sheriff unearned revenues, and the implementation of GASB 84.

Lee County, Florida
SCHEDULE 3
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(amounts expressed in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	$ 409	$ 330	$ 292	$ 321	$ 346	$ 375	$ 363	$ 391	$ 3,452	$ 5,761
Restricted	2,370	2,301	1,562	414	410	404	416	294	294	294
Committed	6	6	6	6	-	-	-	-	-	-
Assigned	12,565	8,370	7,069	5,309	18,824	17,613	20,314	32,760	50,184	106,181
Unassigned	108,428	126,889	123,980	115,198	124,485	115,390	125,317	161,943	124,788	57,450
Total General Fund	$ 123,778	$ 137,896	$ 132,909	$ 121,248	$ 144,065	$ 133,782	$ 146,410	$ 195,388	$ 178,718	$ 169,686
All Other Governmental Funds										
Nonspendable	$ 2,936	$ 2,652	$ 2,532	$ 2,654	$ 2,123	$ 2,247	$ 2,788	$ 3,037	$ 3,078	$ 13,512
Restricted	160,719	196,343	223,656	254,943	277,259	286,342	338,500	361,106	522,706	580,364
Committed	201,066	197,322	210,498	211,145	166,648	165,135	175,495	180,739	183,911	217,026
Assigned	3,300	3,487	4,161	2,319	1,432	-	549	2,590	3,087	-
Unassigned	-	-	-	(1,298)	-	(263)	-	-	-	(3,868)
Total All Other Governmental Funds	$ 368,021	$ 399,804	$ 440,847	$ 469,763	$ 447,462	$ 453,461	$ 517,332	$ 547,472	$ 712,782	$ 807,034

Lee County, Florida
SCHEDULE 4
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(amounts expressed in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	$ 351,952	$ 378,631	$ 394,357	$ 416,774	$ 446,331	$ 463,535	$ 481,967	$ 526,971	$ 558,805	$ 592,406
Licenses and permits	9,271	11,148	9,233	9,295	12,071	11,722	12,859	13,450	14,468	18,455
Intergovernmental	89,852	95,530	101,013	102,020	112,060	115,583	177,696	225,644	206,207	274,017
Charges for services	79,844	81,194	88,982	84,535	86,357	88,438	83,698	93,008	93,031	88,884
Fines and forfeitures	1,561	1,529	1,545	1,373	2,784	1,955	751	1,184	2,316	1,966
Impact fees	2,743	3,759	5,262	6,455	10,266	13,538	19,756	59,249	73,875	78,159
Special assessments	1,360	2,261	1,241	1,174	1,053	1,113	1,178	5,093	1,388	1,424
Investment earnings [2]	-	-	-	-	-	-	-	-	(35,324)	40,778
Miscellaneous	15,985	16,531	14,199	16,437	22,591	30,827	26,293	12,625	17,580	16,910
Total revenues	552,568	590,583	615,832	638,063	693,513	726,711	804,198	937,224	932,346	1,112,999
Expenditures										
Current										
General government	130,328	137,077	143,421	148,668	158,679	167,210	223,367	292,222	267,699	307,264
Public safety	199,492	205,645	218,168	233,305	241,734	260,869	254,514	261,375	319,167	360,589
Physical environment	18,913	12,184	10,770	10,858	13,747	18,340	12,645	12,571	17,995	26,888
Transportation	32,644	33,609	33,938	35,953	44,160	48,203	49,177	48,554	48,959	56,037
Economic environment	25,095	26,619	27,672	30,432	31,580	32,513	27,109	34,397	37,317	38,616
Human services	20,144	20,052	21,055	21,200	21,908	22,809	22,982	25,126	26,842	28,324
Culture and recreation	59,350	64,098	63,220	63,539	65,701	71,225	70,718	74,661	82,258	84,175
Capital outlay	55,748	31,064	41,222	47,375	105,447	88,537	93,160	94,139	75,216	112,355
Debt service										
Principal retirement	9,741	15,766	10,823	19,680	11,211	12,726	13,119	16,986	15,300	20,009
Interest and fiscal charges	13,068	13,223	11,573	11,822	11,229	10,849	9,593	8,640	8,405	13,015
Bond issuance costs	49	364	-	-	-	13	651	30	490	170
Total expenditures	564,572	559,701	581,862	622,832	705,396	733,294	777,035	868,701	899,648	1,047,442
Excess (deficiencies) of revenues over (under) expenditures	(12,004)	30,882	33,970	15,231	(11,883)	(6,583)	27,163	68,523	32,698	65,557
Other Financing Sources (Uses)										
Transfers in	90,650	165,590	113,737	158,782	123,017	145,520	179,133	168,199	227,065	209,754
Transfers out	(99,030)	(153,267)	(116,820)	(156,758)	(117,174)	(144,063)	(139,575)	(158,420)	(213,254)	(210,142)
Insurance recoveries	-	-	-	-	5,580	-	-	-	-	10,316
Debt issuance	14,483	50,625	-	1,284	433	617	75,655	-	101,179	736
Lease issuance	-	383	5,169	-	543	225	8,939	-	952	3,799
Subscription based IT arrangement issuance	-	-	-	-	-	-	-	-	-	5,200
Bond premium	-	8,399	-	-	-	-	10,791	424	-	-
Payments to refunding escrow agent	(12,518)	(56,711)	-	(1,284)	-	-	(85,607)	-	-	-
Total other financing sources (uses)	(6,415)	15,019	2,086	2,024	12,399	2,299	49,336	10,203	115,942	19,663
Net change in fund balances	$ (18,419)	$ 45,901	$ 36,056	$ 17,255	$ 516	$ (4,284)	$ 76,499	$ 78,726	$ 148,640	$ 85,220
Debt service as a percentage of noncapital expenditures [1]	4.5%	5.5%	4.1%	5.5%	3.7%	3.7%	3.3%	3.3%	2.9%	3.5%

[1] Total debt service for this calculation excludes bond issuance cost.

[2] Investment earnings broken out from Miscellaneous beginning 2023

Lee County, Florida
SCHEDULE 5
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Real Property			Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value[1]
	Residential Property	Commercial Property	Other						
2014	43,666,928	7,270,866	534,599	3,147,804	17,060,361	37,559,836	5.6553	72,497,286	75.34%
2015	46,907,208	7,805,176	642,067	3,103,287	20,663,672	37,794,066	5.6553	75,876,824	77.04%
2016	51,150,460	7,689,622	679,027	3,125,423	23,821,441	38,823,091	5.6553	83,340,551	75.17%
2017	55,534,938	8,336,070	662,497	3,353,902	28,254,649	39,632,758	5.5553	96,920,144	70.04%
2018	60,650,938	8,739,931	911,373	3,736,873	30,507,410	43,531,705	5.5553	105,312,245	70.30%
2019	64,378,130	9,392,793	739,364	3,961,567	30,240,763	48,231,091	5.4553	109,528,126	71.65%
2020	68,488,438	10,036,079	882,711	4,123,167	31,272,043	52,258,352	5.4553	115,661,449	72.22%
2021	72,543,957	10,463,245	923,434	4,993,152	31,728,500	57,195,288	5.4553	121,857,664	72.97%
2022	78,144,197	11,912,661	983,748	4,960,228	36,140,528	59,860,306	4.4030	133,025,841	72.17%
2023	92,628,749	13,622,632	1,077,640	5,275,483	67,089,735	45,514,769	4.3030	180,629,897	62.34%

Source: Lee County Property Appraiser

[1] Includes tax-exempt property

Lee County, Florida
SCHEDULE 6
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER $1,000 OF ASSESSED VALUE)
Last Ten Fiscal Years

	Direct Rates				Overlapping Rates								
Fiscal Year	General	Library	All Hazards	Total Direct Rate	Special Districts [1]	Lee County School Board	City of Cape Coral [2]	City of Sanibel [2]	City of Fort Myers	Town of Fort Myers Beach	City of Bonita Springs	Village of Estero [3]	Other Special Districts [4]
2014	4.9904	0.5956	0.0693	5.6553	0.5908	7.5980	7.7070	2.5307	8.7760	0.7530	0.8173		.0076 - 4.5000
2015	4.9904	0.5956	0.0693	5.6553	0.6910	7.4160	7.7070	2.4145	8.7760	0.7530	0.8173		.0585 - 4.5000
2016	4.9904	0.5956	0.0693	5.6553	0.6605	7.2850	6.9570	2.3105	8.7760	0.8000	0.8173	0.8398	.0549 - 4.0000
2017	4.8904	0.5956	0.0693	5.5553	0.6361	6.9890	6.7500	2.3013	8.7500	0.8000	0.8173	0.7998	.0650 - 4.0000
2018	4.8904	0.5956	0.0693	5.5553	0.6542	6.6790	6.7500	2.2797	8.6500	0.8700	0.8173	0.7798	.0572 - 3.9000
2019	4.8904	0.4956	0.0693	5.4553	0.6205	6.4010	6.7500	2.2186	8.4500	0.8700	0.8173	0.7750	.0555 - 3.7500
2020	4.8904	0.4956	0.0693	5.4553	0.5958	6.1470	6.5503	2.1855	8.2500	0.9500	0.8173	0.7726	.0661 - 3.8000
2021	4.8904	0.4956	0.0693	5.4553	0.5729	6.0580	6.6750	2.1818	7.9643	0.9500	0.8173	0.7726	0.0471-3.6000
2022	3.8623	0.4714	0.0693	4.4030	0.5640	5.8910	6.2971	2.1584	7.5875	0.9500	0.8173	0.7700	0.0471-3.7500
2023	3.7623	0.4714	0.0693	4.3030	0.5220	5.5570	5.4165	2.1523	6.9999	0.9900	0.8000	0.7500	0.0478-4.1000

Source: Lee County Property Appraiser

[1] Includes South Florida Water Management, Hyacinth Control, Mosquito Control and West Coast Inland Waterway.

[2] Millages include levies for operating and debt service costs.

[3] The Village of Estero was incorporated in December 2014. Their first property tax assessment was in 2016.

[4] Includes fire protection districts and lighting and improvement districts located throughout the unincorporated sections of Lee County.

Lee County, Florida
SCHEDULE 7
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(dollars in thousands)

	2023			2014		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Christian & Missionary Alliance, Inc.	$ 188,188	1	0.175%	$ 105,979	2	0.155%
Coconut Point Developers LLC	114,495	2	0.107%	150,761	1	0.220%
Legacy Gateway 60 LLC	113,476	3	0.106%	-		
Jamaica Bay Venture III LLC	99,151	4	0.092%			
Murano Cobblestone DE LLC	95,400	5	0.088%			
LNX 1 Properties LLC	90,233	6	0.084%			
LPA One LLC	90,000	7	0.084%			
CH Realty IX/MF Fort Myers RE	88,847	8	0.083%			
Fort Myers Multifamily II	86,400	9	0.081%			
GCTC Holdings LLC	85,054	10	0.079%			
Miromar Outlet West LLC				95,616	3	0.139%
Gulf Coast Town Center CMBS				92,875	4	0.135%
Edison Mall Business Trust				76,961	5	0.112%
Federal National Mortgage Asoc				57,119	6	0.083%
Bell Tower Shops LLC				53,660	7	0.078%
Target Corporation				44,058	8	0.064%
Jamaica Bay Associates Ltd				43,716	9	0.064%
Lofton Island Holdings LLLP				42,209	10	0.062%
Total	$ 1,051,244		0.979%	$ 762,954		1.112%

Source: Lee County Property Appraiser

Lee County, Florida
SCHEDULE 8
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year Ended September 30	Taxes Levied for the Fiscal Year[1]	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount[2]	Percentage of Levy		Amount	Percentage of Levy
2014	280,806	270,156	96.21%	205	270,361	96.28%
2015	299,665	288,114	96.15%	158	288,272	96.20%
2016	316,672	304,630	96.20%	(81)	304,549	96.17%
2017	336,533	323,892	96.24%	(348)	323,544	96.14%
2018	367,004	352,046	95.92%	16	352,062	95.93%
2019	382,202	367,536	96.16%	34	367,570	96.17%
2020	407,406	391,718	96.15%	(181)	391,537	96.11%
2021	436,447	419,287	96.07%	(17)	419,270	96.06%
2022	449,067	431,313	96.05%	(172)	431,141	96.01%
2023	512,927	506,565	98.76%		506,565	98.76%

Source: Lee County Tax Collector

Notes: [1] These tax levies are for funds for County purposes, excluding School Board, municipalities, and other independent special districts.

[2] Property taxes become due and payable on November 1 of each year and are delinquent on April 1 of the following year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Accordingly, taxes collected will not equal 100 percent of the tax levy. Tax certificates for the full amount of any unpaid taxes and assessments must be sold no later than June 1 of the following year.

Lee County, Florida
SCHEDULE 9
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(dollars in thousands)

	General Bonded Debt							Other Governmental Activities Debt				
Fiscal Year	Capital Revenue Bonds	Gas Tax Bonds	Tourist Development Tax Bonds	Non Advalorem	Total	Percentage of Estimated Actual Taxable Property Value[1]	Per Capita[2]	Leases[5]	SBITA's[5]	Line of Credit	Notes	Financed Purchase Obligations[3]
2014	62,473	1,765	124,903	51,876	241,017	0.33%	0.37	-	-	-	54,758	-
2015	4,697	-	123,989	104,609	233,295	0.31%	0.35	-	-	-	49,506	1,225
2016	2,390	-	122,967	99,158	224,515	0.27%	0.33	-	-	-	46,064	5,885
2017	-	-	121,823	91,875	213,698	0.22%	0.31	-	-	-	36,091	5,164
2018	-	-	120,550	82,428	202,978	0.19%	0.28	-	-	433	34,707	4,921
2019	-	-	119,172	78,771	197,943	0.18%	0.27	-	-	406	26,883	4,251
2020	-	-	121,148	75,015	196,163	0.17%	0.26	-	-	-	19,123	12,492
2021	-	-	118,581	71,155	189,736	0.16%	0.24	19,285	-	-	11,127	8,026
2022	-	100,564	116,290	67,197	284,051	0.21%	0.35	19,559	7,694	-	2,698	7,018
2023	-	100,148	113,818	54,791	268,757	0.15%	0.34	23,592	11,783	250	1,994	5,870

	Business-Type Activities Debt											
Fiscal Year	Port Authority Revenue Bonds	Solid Waste Revenue Bonds	Transportation Facilities Revenue Bonds	Water and Wastewater Revenue Bonds	Port Authority LOC	Notes	Financed Purchase Obligations[3]	Leases[5]	SBITA's[5]	Total Primary Government[4]	Percentage of Personal Income[4]	Per Capita[4]
2014	310,772	86,251	129,907	203,100	-	83,913	-	-	-	1,109,718	4.00%	1.72
2015	300,598	81,393	123,632	195,813	-	64,419	298	-	-	1,050,179	3.59%	1.58
2016	290,836	76,994	118,159	187,482	-	54,633	2,022	-	-	1,006,590	3.22%	1.48
2017	280,656	75,358	112,439	178,850	-	61,956	1,513	-	-	965,725	2.92%	1.38
2018	270,080	68,451	106,681	169,873	-	79,216	995	-	-	938,335	2.55%	1.31
2019	258,920	61,417	99,839	160,544	-	79,821	464	-	-	890,488	2.30%	1.21
2020	238,487	54,248	92,848	155,063	11,000	74,903	-	-	-	854,327	2.13%	1.14
2021	225,398	46,936	85,711	143,963	18,850	69,455	-	70	-	818,557	1.89%	1.05
2022	465,510	39,484	78,428	132,556	9,008	63,100	677	46	4,538	1,114,367	2.25%	1.39
2023	453,082	31,885	70,981	120,894	-	56,675	1,227	66	4,068	1,051,124	2.01%	1.31

Note - Details regarding the County's outstanding debt can be found in the notes to the financial statements.

[1] See Schedule 5 for property value data.

[2] See Schedule 11 for personal income and population data.

[3] The County implemented GASB Statement 87 in fiscal year 2022. Amount listed for 2014 to 2021 qualified as capital leases under prior guidance.

[4] Includes general bonded debt, other governmental activities debt, and business-type activities debt.

[5] The County implemented GASB Statement 87 in fiscal year 2022 and GASB Statement 96 in fiscal year 2023.

Source: Lee County Clerk of Courts Finance Department

Lee County, Florida
SCHEDULE 10
PLEDGED REVENUE BOND COVERAGE
Last Ten Fiscal Years
(dollars in thousands)

Passenger Facility Charge Revenue Bonds

Fiscal Year	Passenger Facility Charge Revenues	Less: Operating Expenses[1]	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
2014	$ 15,771	n/a	$ 15,771	$ 3,180	$ 185	4.69
2015	16,251	n/a	16,251	6,540 [5]	21	2.48
2016	-	n/a	-	-	-	0.00
2017	-	n/a	-	-	-	0.00
2018	-	n/a	-	-	-	0.00
2019	-	n/a	-	-	-	0.00
2020	-	n/a	-	-	-	0.00
2021	-	n/a	-	-	-	0.00
2022	21,446	n/a	-	-	-	0.00
2023	19,487	n/a	-	-	-	0.00

Port Authority Line of Credit

Fiscal Year	Page Field General Aviation Airport Revenues	Less: Operating Expenses[1]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2014	$ 9,262	$ 9,721	$ (459)	$ 395	$ 27	-1.09
2015	11,605 [6]	8,875	2,730	3,042 [6]	4	0.90
2016	-	-	-	-	-	0.00
2017	-	-	-	-	-	0.00
2018	-	-	-	-	-	0.00
2019	-	-	-	-	-	0.00
2020	-	-	-	-	-	0.00
2021	-	-	-	-	-	0.00
2022	-	-	-	-	-	0.00

Port Authority Revenue Bonds

Fiscal Year	Airport Revenues[3]	Less: Operating Expenses[2]	Net Available Revenues	Debt Service[4] Principal	Debt Service[4] Interest	Coverage
2014	$ 89,182	$ 54,877	$ 34,305	$ 8,900	$ 16,039	1.38
2015	92,247	55,872	36,375	9,285	15,552	1.46
2016	94,214	59,144	35,070	9,750	14,939	1.42
2017	97,948	61,666	36,282	10,230	14,456	1.47
2018	102,450	63,066	39,384	10,725	13,959	1.60
2019	106,268	63,790	42,478	11,310	13,374	1.72
2020	81,728	59,559	22,169	3,340 [7]	12,694	1.38
2021	99,617	62,004	37,613	3,580 [7]	11,177	2.55
2022	134,020	69,467	64,553	5,135	14,288	3.32
2023	148,224	76,654	71,570	14,750	14,405	2.45

Port Authority Subordinate Revolving Credit

Fiscal Year	Airport Revenues[3]	Less: Operating Expenses[2]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2014	$ -	$ -	$ -	$ -	$ -	0.00
2015	-	-	-	-	-	0.00
2016	-	-	-	-	-	0.00
2017	-	-	-	-	-	0.00
2018	-	-	-	-	-	0.00
2019	-	-	-	-	-	0.00
2020	81,728	59,559	22,169	-	7	3,167.00
2021	99,617	62,004	37,613	-	102	368.75
2022	134,020	69,467	64,553	-	244	264.56
2023	148,224	76,654	71,570	-	-	0.00

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

[1] As defined by bond resolutions - Generally, current operating expense which does not include interest expense, depreciation or amortization expense.

[2] As defined by bond resolutions - Generally, current operating expense of Southwest Florida International Airport which includes arbitrage rebate liability and does not include interest expense, depreciation, unpaid other postemployment benefits expense, pensions, or rebates.

[3] As defined by bond resolutions - Generally, all revenues generated from the operation of Southwest Florida International Airport with the exception of passenger facility charges and grants but including surplus passenger facility charges per Federal Aviation Administration approvals.

[4] Debt service is based on bond year of Oct 2 to Oct 1

[5] Additional principal payment of $3,300,000 was made in 2015 with a transfer from the PFC capital fund to payoff the loan. The coverage without the payoff would have been 4.85.

[6] Additional principal payment of $2,627,000 was made with a transfer from the Airport discretionary fund to payoff the loan in November 2014. The amount in the Revenues column includes the transferred amount.

[7] Principal reduced by the early redemption of Airport Revenue Refunding Bonds, Series 2010A paid with moneys received from the CARES Act of $8.6M and $8.7M in Fiscal Year 2020 and Fiscal Year 2021, respectively. The CARES Act revenues are not included in the Airport pledged revenues above.

(continued)

Lee County, Florida
SCHEDULE 10
PLEDGED REVENUE BOND COVERAGE
Last Ten Fiscal Years
(dollars in thousands)

	Water and Wastewater Revenue Bonds						Transportation Facilities Revenue Bonds					
Fiscal Year	Water and Wastewater Revenues[1]	Less: Operating Expenses[2,4]	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage	Transportation Facilities Revenues[3]	Less: Operating Expenses[2,4]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2014	$ 103,263	$ 54,637 [5]	$ 48,626	$ 3,890	$ 7,536	4.26	$ 41,966	$ 10,158 [5]	$ 31,808	$ 9,080	$ 6,676	2.02
2015	107,822	52,634	55,188	6,190	8,863	3.67	44,113	8,906	35,207	9,325	6,027	2.29
2016	109,652	54,778	54,874	7,195	8,622	3.47	46,008	8,910	37,098	8,980	5,250	2.61
2017	114,504	59,098	55,406	7,465	8,311	3.51	45,742	9,376	36,366	9,295	5,054	2.53
2018	116,742	69,792	46,950	7,790	7,980	2.98	47,492	9,872	37,620	9,505	4,798	2.63
2019	121,648	74,626	47,022	8,130	7,629	2.98	49,952	12,344	37,608	5,295	4,516	3.83
2020	120,973	73,427	47,546	8,485	6,682	3.13	44,608	12,391	32,217	5,560	4,245	3.29
2021	118,400	67,673	50,727	10,390	4,759	3.35	43,708	12,137	31,571	5,835	3,960	3.22
2022	120,285	85,119	35,166	14,766	4,577	1.82	53,957	18,153	35,804	6,120	3,661	3.66
2023	120,453	96,640	23,813	15,291	4,032	1.23	42,849	15,405	27,444	6,435	3,347	2.81

	Florida Department of Environmental Protection Loans						Solid Waste System Revenue Bonds					
Fiscal Year	Water and Wastewater Revenues[1]	Less: Operating Expenses[2,4]	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage	Solid Waste System Revenues[6]	Less: Operating Expenses[2,4]	Net Available Revenue	Debt Service[7] Principal	Debt Service[7] Interest	Coverage
2014	$ 103,263	$ 54,637 [5]	$ 48,626	$ 3,035	$ 1,390	10.99	$ 73,311	$ 62,013	$ 11,298	$ 4,830	$ 4,284	1.24
2015	107,822	52,634	55,188	3,118	1,307	12.47	76,369	67,243	9,126	5,080	4,046	1.00
2016	109,652	54,778	54,874	3,203	1,222	12.40	79,957	69,042	10,915	-	1,896 [8]	5.76
2017	114,504	59,098	55,406	3,065	12,687	3.52	86,894	70,643 [9]	16,251	5,235	3,300	1.90 [9]
2018	116,742	69,792	46,950	2,918	1,055	11.82	97,785	75,887 [9]	21,898	5,495	3,046	2.56 [9]
2019	121,648	74,626	47,022	3,640	1,103	9.91	100,446 [9]	81,664 [9]	18,782	5,775	2,772	2.20 [9]
2020	120,973	73,427	47,546	4,918	1,250	7.71	96,887 [9]	83,105 [9]	13,782	6,075	2,483	1.61 [9]
2021	118,400	67,673	50,727	4,864	1,187	8.38	111,571	84,884	26,687	6,385	2,179	3.12
2022	120,285	85,119	35,166	2,444	407	12.33	132,666	95,065	37,601	6,715	1,860	4.39
2023	120,453	96,640	23,813	2,470	381	8.35	151,414 [10]	118,183 [10]	33,231	7,065	1,524	3.87 [10]

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization expenses.

[1] As defined by bond resolutions - Generally, all revenues generated from the operation of the Lee County Water and Wastewater System. The pledge of these revenues to the FDEP loan is subordinate to the revenue bonds pledge.

[2] As defined by bond resolutions - Generally, current operating expense which doesn't include interest expense, depreciation or amortization expense.

[3] As defined by bond resolutions - Generally, all revenues generated from the operation of the Lee County Transportation Facilities, including but not limited to toll revenues and investment earnings.

[4] As defined by bond resolutions- current operating expenses do not include unfunded OPEB and pension expenses.

[5] Fiscal year 2014 - Operating expenses listed include the annual OPEB expenses and is not adjusted for funding.

[6] As defined by bond resolutions - Generally, all revenues generated from the operation of the Waste - to - Energy Facility, the landfill, and the collection services.

[7] Debt service is based on funding requirements during the year for upcoming principal and interest due. (ie: the accrued debt service)

[8] Debt service only includes the April 2016 interest payment as the Solid Waste System Revenue Bonds, Series 2006A were refunded before September 30, 2016 and no longer outstanding under the bond resolutions. No debt service was due for fiscal year 2016 on the Solid Waste System Revenue Refunding Bonds, Series 2016.

[9] Operating expenses excludes non-recurring Hurricane Irma related expenses. Revenues in 2019 and 2020 exclude FEMA reimbursements for Hurricane Irma. Adjusted for Hurricane Irma expenses, Operating Expenses for 2017, 2018, and 2019 were $73,721, $109,159, and $83,770 respectively. Adjusted for FEMA, Revenues in 2019 and 2020 were $102,655 and $126,990 respectively. Coverage for 2017, 2018, 2019, and 2020 were 1.54, (1.33), 2.21, and 5.13 respectively.

[10] Operating Expenses exclude non-recurring Hurricane Ian related expenses and revenues exclude FEMA reimbursements for Hurricane Ian. Adjusted for Hurricane Ian expenses and FEMA reimbursements, Operating Expenses for 2023 equalled $266,177, Revenues equalled $184,214, and Coverage was (9.54).

Source: Lee County Clerk of Courts Finance Department

Lee County, Florida
SCHEDULE 11
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	Population[1]	Total Personal Income[2] (in thousands)	Per Capita Personal Income[2]	Median Age[2]	School Enrollment[3]	Unemployment Rates (Percentage)		
						County[2]	State[5]	National[5]
2014	643,367	27,773,510	43,169 [6]	45.7	90,887	6.1	6.1	5.7 [4]
2015	665,845	29,245,506	48,453 [8]	46.2 [7]	92,780	5.1	5.2	5.1
2016	680,578	31,296,442	44,583	46.3	91,222	4.7	4.7	5.0
2017	698,468	33,060,033	48,537	46.9	92,590	3.6	3.8	4.2
2018	713,903	36,786,500	50,390	47.8	93,167	2.9	3.5	3.7
2019	735,148	38,685,758	51,266	47.8	94,405	2.8	3.2	3.5
2020	750,493	40,119,053	52,064	48.1	95,647	6.4	7.2	7.9
2021	782,579	43,260,834	54,707	48.5	95,023	4.0	4.9	4.8
2022	802,178	49,552,254	62,885	48.8	97,360	2.6	2.5	3.5
2023	800,989	52,281,287	63,568	45.6	101,861	3.2	2.8	3.8

Sources:
[1] Bureau of Economic and Business Research (estimate)
[2] Florida Research and Economic Database (FRED), except as otherwise noted
[3] School District of Lee County
[4] Regional Economic Research Institute, Lutgert College of Business, Florida Gulf Coast University
[5] U.S. Bureau of Labor Statistics
[6] Governing.com
[7] edr.state.fl.us
[8] bestplaces.net

Lee County, Florida
SCHEDULE 12
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	2023			2014		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Lee Health	13,558	1	3.73%	10,500	1	3.72%
Lee County School District	10,927	2	3.00%	10,000	2	3.54%
Lee County Local Government Entities	9,377	3	2.58%			
Publix Super Market [1]	5,199	4	1.43%	5,297	3	1.88%
Chico's FAS Inc.	3,903	5	1.07%	1,703	6	0.60%
Herc Rentals	2,400	6	0.66%			
Amazon	2,200	7	0.60%			
Gartner, Inc.	1,844	8	0.51%			
Florida Gulf Coast University	1,778	9	0.49%	1,490	9	0.53%
Walmart	1,509	10	0.41%	2,075	5	0.73%
Shell Point Retirement Community				1,000	10	0.35%
Lee County Administration				2,528	4	0.89%
City of Cape Coral				1,654	7	0.59%
Lee County Sheriff's Office				1,508	8	0.53%
Total	52,695		14.49%	37,755		13.36%

Source: Lee County Office of Economic Development, SW Florida Economic Development Alliance, Florida Research and Economic Database, and U.S. Bureau of Labor Statistics.

[1] 3rd party citation

Lee County, Florida
SCHEDULE 13
GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
General government	1,282	1,288	1,281	1,270	1,304	1,303	1,310	1,276	1,378	1,411
Public safety	1,875	1,914	1,979	1,997	2,071	2,057	2,065	2,064	2,084	2,198
Physical environment	69	70	69	68	68	68	69	68	70	73
Transportation	212	205	204	204	209	209	209	208	214	234
Economic environment	66	66	67	66	66	66	68	52	46	48
Human services	76	81	81	83	91	91	95	126	134	148
Culture and recreation	523	504	506	507	529	529	529	529	529	539
Business-type activities:										
Airport	351	352	360	357	352	359	359	361	383	397
Water and wastewater	274	274	275	279	281	281	283	282	296	301
Transit	263	267	267	267	268	268	268	268	268	292
Transportation facilities	95	95	94	96	96	96	96	95	78	72
Solid waste	94	98	105	112	119	119	119	119	128	130
Total	5,180	5,214	5,288	5,306	5,454	5,446	5,470	5,448	5,608	5,843

Sources: Lee County Budget Office, Lee County Sheriff Finance Department, Lee County Clerk of Circuit Court Human Resources Department, Lee County Property Appraiser Finance Department, Lee County Tax Collector Human Resources Department, Lee County Supervisor of Elections Human Resources Department, Lee County Port Authority Human Resources Department, and 20th Judicial Circuit Court Finance Department

Lee County, Florida
SCHEDULE 14
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Community Development										
Building permits issued	41,023	45,421	34,329	32,126	47,143	38,619	40,318	58,225	48,784	85,223
Inspections	74,358	84,505	82,004	80,532	114,483	133,232	119,126	156,844	199,713	265,677
Public Safety/EMS										
E-911 calls processed	182,859	198,072	208,238	220,799	220,159	222,236	227,274	252,261	264,520	263,524
Sheriff Department										
Physical arrests	14,196	10,543	12,006	10,173	15,877	10,235	6,971	5,626	7,397	10,846
Traffic tickets	36,512	31,977	36,251	33,680	37,960	37,650	21,184	15,879	14,193	19,476
Natural Resources										
Environmental lab tests performed	114,744	109,420	115,625	136,044	154,281	156,115	157,545	161,452	149,985	104,448
Pollutant storage tanks inspections	546	495	514	520	1,009	902	896	397	462	467
Solid Waste										
Number of business and residential customers [1]	244,817	253,888	258,891	258,530	260,307	263,662	267,754	271,243	275,825	281,607
Volume of solid waste collection (tons per year) [2]	481,658	507,527	552,818	571,194	586,383	579,041	582,477	631,785	655,461	727,871
Volume of recycling collection (tons per year) [3]	71,788	76,109	79,117	78,249	84,126	83,394	86,379	88,045	85,805	84,545
Megawatt hours of electricity sold	328,479	329,285	333,549	320,919	346,086	343,088	320,397	286,350	315,897	244,660
Water and Wastewater										
Water customers	83,146	83,989	85,020	86,176	87,675	89,110	90,869	93,546	96,018	98,510
Wastewater customers	60,562	61,410	62,294	63,197	64,583	65,867	67,606	69,992	71,897	73,612
Meter installations	1,176	807	1,031	1,156	1,499	1,619	1,758	2,678	2,472	2,492
Department of Transportation										
Number of signal and flasher locations maintained	509	523	530	540	581	616	626	704	723	761
Number of streetlights maintained	5,013	5,104	5,090	5,142	5,202	5,429	5,429	5,871	6,297	6,297
Number of driveway and ROW permits issued	810	1,031	1,147	1,353	1,569	1,996	2,249	2,842	4,116	3,686
Asphalt road resurfacing (in thousands of tons)	37	34	41	33	86	52	117	146	56	60
Bridges										
Toll paying traffic per year										
Sanibel	3,181,676	3,282,789	3,337,055	3,277,285	3,264,223	3,293,772	2,997,361	3,419,121	3,505,154	2,095,120
Midpoint Memorial	7,674,340	7,975,126	8,268,884	8,090,020	8,707,346	8,722,066	8,071,567	8,854,936	8,865,800	7,888,641
Cape Coral	7,747,127	8,022,636	8,266,891	8,071,717	8,364,186	8,453,337	7,701,445	8,364,502	8,500,765	8,692,098
Transit										
Number of bus passenger trips	3,939,812	3,721,249	3,323,540	3,126,846	3,116,342	2,969,652	2,216,325	1,685,810	2,057,592	1,520,291
Number of bus route miles	551	551	538	542	542	543	543	544	545	538
Port Authority										
Number of enplanements	3,989,316	4,155,189	4,332,997	4,421,668	4,662,213	5,026,675	3,528,276	4,534,976	5,571,537	4,721,401
Number of deplanements	3,896,241	4,062,874	4,245,061	4,317,457	4,594,287	4,943,615	3,477,797	4,511,241	5,506,926	4,670,443
Human Services										
Number of emergency services provided with General Fund County Service dollars (mortgage, rent, utilities, etc.)	460	390	327	660	642	691	626	301	446	332
Animal Services										
Officer responses	15,600	15,029	15,409	15,406	15,186	15,406	11,735	11,648	12,697	10,989
Animal placement	4,286	5,089	5,379	5,012	4,642	5,012	5,057	5,949	6,713	6,449
Library										
Cardholders	294,953	289,398	285,300	283,326	275,705	276,106	263,799	246,058	263,309	268,415
Items available for circulation	1,594,355	1,608,459	1,741,312	1,827,512	2,023,162	2,060,006	1,803,111	2,214,291	2,439,388	2,673,684
Total circulation	6,123,207	7,048,435	7,402,890	5,214,822	6,050,997	5,949,205	4,499,177	4,838,347	4,714,162	4,305,004
Parks and Recreation										
Number of public parks maintained [4]	67	67	68	69	69	69	70	70	70	148
Number of public pools maintained	9	9	9	9	9	9	9	9	9	9
Number of public boat ramps maintained	7	7	7	7	7	7	7	7	7	7

Source: Various Lee County Departments

[1] Unincorporated Lee County, City of Bonita Springs, and Town of Fort Myers Beach for all fiscal years. Village of Estero added in fiscal year 15. Fiscal year 2018 count was revised in 2019 from 288,995 to 260,307.

[2] Total municipal solid waste tons processed and landfilled including incorporated and unincorporated Lee County and Hendry

[3] Total tons recycled for incorporated and unincorporated Lee County and Hendry County received at the Lee Recycling Facility.

[4] Total numbers of public parks maintained in FY23 includes both public parks and Preserves.

Lee County, Florida
SCHEDULE 15
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years
(in units)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
General government	10,957	10,739	11,087	11,262	11,622	11,863	10,545	11,485	11,711	11,704
Public safety	10,089	10,072	10,783	10,633	10,912	11,133	13,041	11,554	11,927	11,774
Physical environment	574	538	519	517	524	538	502	867	936	965
Transportation	3,837	3,903	3,939	3,954	3,977	4,034	3,864	5,111	5,569	5,805
Economic environment	261	252	270	276	280	288	243	269	279	278
Human services	602	589	568	532	557	553	588	643	717	734
Culture and recreation	4,865	4,890	4,965	5,056	5,115	5,358	4,966	5,016	5,085	5,115
	31,185	30,983	32,131	32,230	32,987	33,767	33,749	34,945	36,224	36,375
Business-type Activities										
Port Authority	2,552	2,961	3,184	3,338	3,494	3,623	4,212	3,505	3,555	3,653
Water and Wastewater	18,084	19,013	19,993	20,673	21,887	22,459	23,280	23,907	24,314	24,845
Transportation Facilities	1,176	1,235	1,251	1,315	1,380	1,334	1,321	1,308	1,314	1,307
Solid Waste	665	697	709	729	765	806	822	822	823	859
Transit	963	1,018	1,046	1,039	1,062	1,050	1,167	965	991	970
	23,440	24,924	26,183	27,094	28,588	29,272	30,802	30,507	30,997	31,634

Source: Lee County Clerk of Courts Finance Department and the Lee County Sheriff's Office



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OTHER SUPPLEMENTAL *Information*



Lee County, Florida
SUPPLEMENTAL SCHEDULES
TOURIST DEVELOPMENT TAX REVENUE BONDS
September 30, 2023
(unaudited)

(dollars in thousands)

Historical Tourist Development Tax Revenues, Gross Revenues and
State Funds and Pro Forma Debt Service Coverage

Fiscal Year Ended September 30	2019	2020	2021	2022	2023
Tourist Development Tax Revenues (debt portion)	$ 42,584	$ 37,990	$ 52,822	$ 66,843	$ 36,711
Gross Revenues[1]	1,165	1,180	1,180	1,195	1,195
State Funds	500	500	500	500	500
Total Pledged Funds[2][3]	$ 44,249	$ 39,670	$ 54,502	$ 68,538	$ 38,406
Maximum Annual Debt Service[4][5] Payable from Pledged Funds	8,480	8,480	8,480	8,480	8,480
Debt Service Coverage	5.22x	4.68x	6.43x	8.08x	4.53x

[1] Includes stadium rental revenue and payments received by the County from JetBlue Airways in connection with the naming rights for JetBlue Park, a part of the 2010 Project.

[2] Investment earnings, if any, have not been included in these calculations.

[3] This figure includes only Tourist Development Tax revenues as defined in the Bond Resolution.

[4] Maximum Annual Debt Service is calculated net of the Federal Direct Payments received in connection with Subsidy Bonds.

[5] Maximum Annual Debt Service reflects updated amounts published in the 2019 Tourist Development Tax Official Statement.

Source: Lee County Clerk of Courts Finance Department

Lee County, Florida

SUPPLEMENTAL SCHEDULES

TOURIST DEVELOPMENT TAX REVENUE BONDS

September 30, 2023

(unaudited)

Statement of Historical Collections and Distributions of the General Sales and Use Tax
Fiscal Years Ended June 30, 2015 through June 30, 2024[2][4]

State Fiscal Year	Collections	General Revenue	Local Governments[3]	Unemployment Compensation Trust Fund Distribution	State Transportation Trust Fund	Sports Facilities Transfer	Emergency Distribution	Public Employees Relations Commission Trust Fund
2023-24 [1]	$ 39,763,900,000	$ 34,614,900,000	$ 4,069,000,000	$ 990,000,000	$ 27,700,000	$ 25,700,000	$ 33,800,000	$ 2,800,000
2022-23	41,151,629,160	35,800,209,922	4,204,981,071	1,080,000,000	183,996	28,458,380	34,920,262	2,875,528
2021-22	38,581,579,589	34,567,100,321	3,950,361,297	527,417,205	183,996	28,500,048	32,735,321	2,698,606
2020-21	30,393,280,928	27,158,074,098	3,178,626,201	-	183,996	28,500,048	25,720,207	2,176,378
2019-20	27,553,589,162	24,591,339,353	2,908,267,985	-	183,996	28,500,048	23,305,895	1,991,885
2018-19	28,483,919,341	25,385,272,760	3,043,912,215	-	183,996	28,416,715	24,031,891	2,101,764
2017-18	27,093,010,514	24,138,749,000	2,902,264,323	-	183,996	27,083,387	22,723,141	2,006,666
2016-17	25,805,978,256	22,987,424,160	2,769,927,339	-	183,996	24,842,612	21,689,059	1,911,090
2015-16	24,712,944,756	21,997,965,887	2,669,845,085	-	199,335	22,327,782	20,762,736	1,843,932
2014-15	23,640,149,815	21,062,698,205	2,533,320,541	-	-	22,730,562	19,653,846	1,746,662

[1] Estimate.

[2] These figures reflect estimated distributions based on the State Fiscal Year of July 1 to June 30.

[3] Local Government distributions include the half-cent, county and municipal revenue sharing, and the shift of $29,915,500 to counties previously funded from pari-mutual tax revenues.

[4] In addition to sales tax, these figures include state communications services taxes imposed under Chapter 202, Florida Statutes, on the sale of communications services as described in Section 202.12, Florida Statutes.

SOURCE: State of Florida, Office of Economic & Demographic Research, *Florida Tax Handbook*

Lee County, Florida
SUPPLEMENTAL SCHEDULES
NON-AD VALOREM REVENUE BONDS
September 30, 2023
(unaudited)

Historical Major Sources of Non-Ad Valorem Revenues [1]
(dollars in thousands)

Fiscal Year Ended September 30	2019	2020	2021	2022	2023
Taxes:					
Local communications services tax	$ 7,299	$ 6,894	$ 6,540	$ 6,721	$ 6,822
FPL electrical franchise fees	12,147	11,834	12,456	14,957	16,742
LCEC electrical franchise fees	6,215	6,342	6,318	7,748	9,195
Intergovernmental Revenues:					
State revenue sharing	18,220	17,203	20,096	26,056	28,250
Local half cent sales tax	51,568	50,011	60,302	71,262	73,923
Mobile home/insurance/alcohol beverage licenses	891	894	877	900	821
Racing tax	223	223	223	223	223
Charges for Services:					
Ambulance service receipts	21,618	20,478	23,108	22,994	21,588
Excess county officer fees	9,981	9,537	10,607	7,526	6,417
Licenses and Permits:					
Occupational licenses	774	722	714	790	864
Miscellaneous:					
Investment earnings [2]	4,014	2,733	824	2,696	10,523
Total	$ 132,950	$ 126,871	$ 142,065	$ 161,873	$ 175,368

[1] The table above includes a general description of Non-Ad Valorem Revenues and does not include sources that are not considered major when viewed independently. Certain other Non-Ad Valorem Revenues may be received by the County that are not reflected in the table above as such revenues are considered restricted for certain purposes, and would not be available for payment of debt service on the Series 2012 or 2015 Bonds.

[2] To the extent Investment Earnings are earnings on investments held to the credit of funds that are not legally available to pay debt service on the Series 2012 or 2015 Bonds, such investment earnings will not constitute legally available Non-Ad Valorem Revenues.

Source: Lee County Clerk of Courts Finance Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
NON-AD VALOREM REVENUE BONDS
September 30, 2023
(unaudited)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TOTAL GOVERNMENTAL FUNDS
(dollars in thousands)

	2019	2020	2021	2022	2023
REVENUES					
Taxes	$ 463,535	$ 481,967	$ 526,971	$ 558,805	$ 592,406
Licenses and permits	11,722	12,859	13,450	14,468	18,455
Intergovernmental	115,583	177,696	225,644	206,207	274,017
Charges for services	88,438	83,698	93,008	93,031	88,884
Fines and forfeitures	1,955	751	1,184	2,316	1,966
Impact fees	13,538	19,756	59,249	73,875	78,159
Special assessments	1,113	1,178	5,093	1,388	1,424
Investment earnings				(35,324)	40,778
Miscellaneous	30,827	26,293	12,625	17,580	16,910
Total revenues	726,711	804,198	937,224	932,346	1,112,999
EXPENDITURES					
Current					
General government	167,210	223,367	292,222	267,700	307,264
Public safety	260,869	254,514	261,375	319,167	360,589
Physical environment	18,340	12,645	12,571	17,995	26,888
Transportation	48,203	49,177	48,554	48,959	56,037
Economic environment	32,513	27,109	34,397	37,317	38,616
Human services	22,809	22,982	25,126	26,842	28,324
Culture and recreation	71,225	70,718	74,661	82,258	84,175
Capital outlay					
General government	12,065	19,872	18,470	13,658	24,687
Public safety	8,307	23,362	13,422	13,487	26,942
Physical environment	3,359	2,269	2,945	6,121	1,161
Transportation	43,628	44,151	54,270	31,551	48,041
Economic environment	247	63	296	1,142	49
Human services	73	74	27	62	8
Culture and recreation	20,858	3,369	4,709	9,195	11,467
Debt service					
Principal retirement	12,726	13,119	16,986	15,300	20,009
Interest and fiscal charges	10,849	9,593	8,640	8,404	13,015
Bond issuance costs	13	651	30	490	170
Total expenditures	733,294	777,035	868,701	899,648	1,047,442
Excess (deficiencies) of revenues over (under) expenditures	(6,583)	27,163	68,523	32,698	65,557
OTHER FINANCING SOURCES AND (USES)					
Transfers in	145,520	179,133	168,199	227,065	209,754
Transfers out	(144,063)	(139,575)	(158,420)	(213,254)	(210,142)
Insurance recoveries	-	-	-	-	10,316
Lease issuance	225	8,939	-	952	3,799
Subscription based IT arrangements issuance	-	-	-	-	5,200
Bond premium	-	10,791	-	-	-
Debt issuance	617	450	424	101,179	736
Issuance of refunding debt	-	75,205	-	-	-
Payments to refunded bonds escrow agent	-	(85,607)	-	-	-
Total other financing sources and (uses)	2,299	49,336	10,203	115,942	19,663
Net change in fund balances	(4,284)	76,499	78,726	148,640	85,220
Fund balances - beginning	591,527	587,243	664,134 *	742,860	891,500
Fund balances - ending	$ 587,243	$ 663,742	$ 742,860	$ 891,500	$ 976,720

* The 2021 beginning fund balance is $394 more than the 2020 ending fund balance due to the cumulative effect of GASB 84 implementation and the restatement of the Sheriff's statements.

Source: Lee County Clerk of Courts Finance Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LOCAL OPTION GAS TAX BONDS
September 30, 2023
(unaudited)

Five Cent and Six Cent Local Option Gas Tax Revenues

(dollars in thousands)

County Fiscal Year[1]	Five Cent Local Option Gas Tax Revenues	Percentage Change	Six Cent Local Option Gas Tax Revenues	Percentage Change
2014	$ 6,616	4.1%	$ 8,838	3.1%
2015	7,096	7.3%	9,622	8.9%
2016	7,116	0.3%	9,654	0.3%
2017	7,275	2.2%	9,871	2.2%
2018	7,368	1.3%	10,082	2.1%
2019	7,433	0.9%	10,175	0.9%
2020[2]	7,089	-4.6%	9,732	-4.4%
2021	7,872	11.0%	10,803	11.0%
2022	8,231	4.6%	11,454	6.0%
2023	9,243	12.3%	12,700	10.9%

Share of Proceeds of Five Cent Local Option Gas Tax and Six Cent Local Option Gas Tax[3]

City of Cape Coral	29.82%
City of Fort Myers	8.49%
Sanibel	1.35%
Town of Ft. Myers Beach	0.62%
City of Bonita Springs	4.49%
Village of Estero	2.66%
Lee County	52.57%
	100.00%

Local Option Gas Tax Debt Service Coverage

(dollars in thousands)

County Fiscal Year[1]	Local Option Gas Tax Revenues	Maximum Annual Debt Service	Debt Service Coverage Ratio
2022	$ 19,685	$ 10,757	1.83
2023	21,943	10,757	2.04

1 County fiscal year end is September 30th

2 Decline is a result of measures taken as result of COVID-19 which resulted in decreased travel, remote work and stay-at-home orders.

3 The current formula, as provided in the Interlocal Agreement, applies from January 1, 2023 to December 31, 2027.

Monthly Water Rates

Customer Classification

Residential Service	Monthly Service Charge		User Charge Per 1,000 Gallons For Each ERU	
Single – family	$ 9.88	per unit	1 - 6,000	$ 3.53
			6,001 - 12,000	4.42
			12,001 - 18,000	5.30
			18,001 and above	7.06
Multi – family	$ 7.91	per unit / lot	1 - 4,800	$ 3.53
Per ERU			4,800 - 9,600	4.42
(i.e. 2 units = 9,600 Gal)			9,601 - 14,400	5.30
			14,401 and above	7.06
Recreational vehicle	$ 3.95	per unit / lot	1 - 2,400	$ 3.53
(i.e. 2 units = 9,600 Gal)			2,401 - 4,800	4.42
			4,801 - 7,200	5.30
			7,201 and above	7.06
Mobile Home	$ 7.91	per unit / lot	1 - 4,800	$ 3.53
			4,800 - 9,600	4.42
			9,601 - 14,400	5.30
			14,401 and above	7.06

Each residential service account will be charged a monthly administrative fee of $3.72 per statement.

An additional wellfield development surcharge of $0.54 per ERU will be assessed to those residential customers whose monthly water consumption exceeds their initial water conservation block during the monthly billing period (6,000 gallons per ERU).

The total monthly rate for residential service is the sum of the: a) service charge; b) administrative fee; c) wellfield development surcharge (if applicable); and d) user charges in accordance with this schedule.

Commercial and All Non-Residential

Meter Size	Monthly Service Charge	ERU Ratio	User Charge Per 1,000 Gallons For Each ERU	
5/8"	$ 13.60	1.0	1 - 6,000	$ 3.53
3/4"	18.54	1.5	6,001 - 12,000	4.42
1"	28.42	2.5	12,001 - 18,000	5.30
1½"	53.12	5.0	18,001 and above	7.06
2"	82.76	8.0		
3"	161.80	16.0	Non-irrigation class	
4"	250.72	25.0	Per 1,000	3.72
6"	497.72	50.0		
8"	794.12	80.0	Irrigation class	
10"	1,436.32	145.0	1 - 6,000	4.42
			6,001 - 12,000	5.30
			12,001 and over	7.06

An additional well field development surcharge of $0.54 per ERU will be assessed to those commercial and non-residential customers whose monthly water consumption exceeds their initial water conservation block during the monthly billing period (6,000 gallons per ERU).

The total monthly rate is the sum of the service and the user charges.

Water Restriction Surcharge Adjustment

In the event that the South Florida Water Management District or other authority having appropriate jurisdiction declares a water shortage requiring a mandatory water usage reduction in the amount of 15%, the water user charges listed above will be increased by 18%.

In the event that a reduction of water use greater than 15% is required, the County Commission may establish by resolution, a surcharge based upon the recommendation of the Public Works Director in order to meet revenues required to comply with existing bond debt service covenants, or to meet other requirements of the water system.

Source: Lee County Utilities Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEMS
September 30, 2023
(Unaudited)

Monthly Wastewater Rates

Customer Classification

Residential Service	Monthly Service Charge per unit/lot	User Charge Per 1,000 Gallons	Unmetered User Charge per unit/lot
Single – family	$ 18.38	$ 6.32	$ 28.44
Multi – family	14.71	6.32	22.75
Recreational vehicle	7.35	6.32	11.37
Mobile Home	14.71	6.32	22.75

Each residential service account shall be charged a monthly administrative charge of $3.70 per statement.

No wastewater user charge shall be imposed on metered water usage above nine thousand (10,000) gallons per month, per residential service dwelling unit.

The total monthly rate for residential service is the sum of the: a) service charge; b) administrative fee; and c) user charges, in accordance with the schedule.

Commercial and All Non-Residential

Meter Size	Monthly Service Charge	User Charge Per 1,000 Gallons
5/8"	$ 22.08	$ 6.32
3/4"	31.27	6.32
1"	49.65	6.32
1½"	95.60	6.32
2"	150.74	6.32
3"	297.78	6.32
4"	463.20	6.32
6"	922.70	6.32
8"	1,474.10	6.32
10"	2,668.80	6.32

Unmetered commercial and non-residential charges will be calculated individually based on estimates of wastewater discharges and the above schedule of rates.

The total monthly rate for residential service is the sum of the service and the user charges.

Connection Fees

Customer Classification	Number ERU's	Water Charge	Wastewater Charge
Residential Service			
Single – family	1.00	$ 2,440.00	$ 2,660.00
Multi – family (per Dwelling Unit)	0.80	1,952.00	2,128.00
Recreational vehicle (per Dwelling Unit/Lot)	0.40	976.00	1,064.00
Commercial and All Non-Residential			
Charge Per Gallon		$ 9.76	$ 10.64

Water Meter Installation and Service Connection Fees

Meter Size	Installation Charge	Tap-In Charge
5/8"	$ 260.00	$ 1,025.00
3/4"	295.00	1,060.00
1"	325.00	1,090.00
1½"	525.00	1,650.00
2"	595.00	1,800.00
3" and above	Actual Cost	Actual Cost
Wastewater Main Tap Charge		Actual Cost

In addition to new installations, these rates may also apply to water and sewer service upgrades or facility locations.

Charges for larger meter and wastewater main taps will be based on estimates of actual time and expense. Amounts collected by the County in excess of actual costs will be credited to the customer's account or be refunded, as may be applicable. Amounts due, caused by underestimation, will be billed and payable to Lee County Utilities.

Source: Lee County Utilities Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEMS
September 30, 2023
(unaudited)

Historical Revenues, Expenses, and Debt Service Coverage
(dollars in thousands)

	2019	2020	2021	2022	2023
Gross Revenues [1]					
Water User Fees [2]	$ 52,674	$ 53,485	$ 53,283	$ 53,859	$ 54,698
Wastewater User Fees	60,598	61,208	61,641	61,882	59,467
Rentals and Franchise Fees	206	212	228	180	190
Miscellaneous Revenues [3]	1,991	1,749	2,031	1,990	1,953
Investment Earnings [4]	4,374	2,846	628	1,352	3,903
Other Revenue Adjustments:					
Gateway Debt Service Contribution [5]	172	172	172	172	172
Total Gross Revenues	$ 121,572	$ 119,672	$ 117,983	$ 119,435	$ 120,383
Operating expenses[6]					
Salaries and Wages	$ 15,757	$ 16,684	$ 16,958	$ 19,648	$ 22,949
Employee Benefits	7,337	7,954	8,726	9,568	10,546
Contract services, materials and supplies	35,570	31,755	25,220	27,654	40,907
Utilities	5,750	6,061	6,040	7,132	7,845
Repairs and maintenance	5,675	5,930	5,984	7,479	8,294
Insurance	854	831	831	1,135	1,429
Other	2,015	2,102	1,736	10,392	2,206
Indirect Cost	1,630	2,067	2,139	2,071	2,425
Administrative Fees	38	43	39	40	39
Total Operating Expenses	$ 74,626	$ 73,427	$ 67,673	$ 85,119	$ 96,640
Pledged Funds					
Net Revenues	$ 46,946	$ 46,245	$ 50,310	$ 34,316	$ 23,743
Special Assessment Proceeds	76	50	69	47	70
Connection Fees [7]	14,105	13,687	16,836	20,211	20,870
Total	$ 61,127	$ 59,982	$ 67,215	$ 54,574	$ 44,683
Annual Debt Service - Outstanding Bonds [8]					
Series 2011 Bonds	$ 6,997	$ 6,633	$ 5,754	$ 5,672	$ 5,648
Series 2012A Bonds	1,000	719	-	-	-
Series 2012B Bonds	374	269	-	-	-
Series 2013A Bonds	3,441	2,864	1,401	1,399	1,399
Series 2013B Bonds	3,947	3,940	3,943	3,934	3,938
Series 2019 Bonds	-	742	4,050	4,149	4,149
Series 2021A Bonds	-	-	-	1,550	1,551
Series 2021B Bonds	-	-	-	2,639	2,638
Annual Debt Service	$ 15,759	$ 15,167	$ 15,148	$ 19,343	$ 19,323
Rate Covenant Compliance					
Test A - Net Revenues and Special Assessments Proceeds	$ 47,022	$ 46,295	$ 50,379	$ 34,363	$ 23,813
Annual Debt Service	15,759	15,167	15,148	19,343	19,323
Calculated Coverage	298.38%	305.24%	332.58%	177.65%	123.24%
Required Coverage	100.00%	100.00%	100.00%	100.00%	100.00%
Test B - Net Revenues, Special Assessments Proceeds and Connection Fees	$ 61,127	$ 59,982	$ 67,215	$ 54,574	$ 44,683
Annual Debt Service	15,759	15,167	15,148	19,343	19,323
Calculated Coverage	387.89%	395.48%	443.72%	282.14%	231.24%
Required Coverage	120.00%	120.00%	120.00%	120.00%	120.00%
State Revolving Fund Loan Compliance					
Pledged Revenues:					
Gross Revenues	$ 121,572	$ 119,672	$ 117,983	$ 119,435	$ 120,383
Less Operating Expenses	(74,626)	(73,427)	(67,673)	(85,119)	(96,640)
Less Senior Revenue Obligations Debt Service	(15,759)	(15,167)	(15,148)	(19,343)	(19,323)
Net Amount Available for SRF Debt Coverage	$ 31,187	$ 31,078	$ 35,162	$ 14,973	$ 4,420

(continued)

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEMS
September 30, 2023
(unaudited)

Historical Revenues, Expenses, and Debt Service Coverage
(dollars in thousands)

	2019	2020	2021	2022	2023
Outstanding SRF Loan Debt Service					
SRF Loan 2005 DW3610010	$ 1,717	$ 1,717	$ 935	$ -	$ -
SRF Loan 2009 WW392330	2,256	2,256	2,265	-	-
SRF Loan 2015 WW360200	770	1,540	1,540	1,540	1,540
SRF Loan 2017 DW3602A0	-	655	1,311	1,311	1,311
Total	$ 4,743	$ 6,168	$ 6,051	$ 2,851	$ 2,851
Calculated Coverage	657.54%	503.86%	581.09%	525.18%	155.03%
Required Coverage	115.00%	115.00%	115.00%	115.00%	115.00%
Other Required Transfers from Net Revenues:					
Renewal and Replacement Fund [9]	$ 5,781	$ 5,992	$ 5,975	$ 5,891	$ 5,962
Subordinated Indebtedness Debt Service	4,743	6,168	6,051	2,851	2,851
Amounts Available for Other System Purposes	$ 20,663	$ 18,918	$ 23,136	$ 6,231	$ (4,393)

(1) Pursuant to Bond Resolution, Gross Revenues means all income and moneys received from rates, fees, rentals, charges and other income for water and wastewater services without limiting the generality of the foregoing, Investment Earnings. "Gross Revenues" shall not include (1) Government Grants, (2) Water Connection Fees, (3) Sewer Connection Fees, and (4) Special Assessment Proceeds.

(2) As of fiscal year 2023, amount shown includes plan review fees due to reclassification.

(3) Amount shown includes charges for permit, tapping, delinquent, turn-on and turn-off and other miscellaneous charges.

(4) Investment Earnings pledged and available includes all income and earnings on all funds and accounts other than the Construction Fund(s) funded by debt proceeds and Rebate Fund. Such amounts do not include fair value adjustments.

(5) Amounts shown reflect reclassification of non-operating revenues for purposes of calculating compliance with the rate covenant to reflect funds received from Gateway Services Community Development District related to payment of debt service regarding purchase of capacity pursuant to the Gateway Wastewater Agreement.

(6) Amount shown are exclusive of depreciation, amortization and unfunded OPEB and pension expenses pursuant to the County's bond resolution.

(7) Amounts shown reflect Connection Fees as received (as opposed to earned) and do not include interest income of Connection Fees Fund balances. Any earning related to the Connection Fees Funds have been included as a component of Gross Revenues pursuant to the Bond Resolution.

(8) Amounts shown reflect other required deposits to funds and accounts as referenced in Section 4.05 of the Bond Resolution.

(9) For purposes of determining compliance with the Bond Resolution, amounts shown reflect an annual R&R fund (regardless of the amount on deposit in such fund) equal to 5% of prior year's Gross Revenues. Annual transfers may not be necessary when the R&R fund balance is sufficient.

Source: Lee County Clerk of Courts Finance Department

Customer Statistics:

Historical customer statistics with respect to the Lee County Water System are set forth below:

County Water System Customer Accounts and Sales Statistics

	Retail Customers						
Fiscal Year	Average Accounts	Water Sales (000s Gallons)	Monthly Use per Account (Gallons)	Wholesale Water Sales (000s Gallons)	Total Water Sales (000s Gallons)	Treated/Purchased Finished Water (000s Gallons)	ADF-MGD
2014	78,751	7,191,865	7610	723,867	7,915,732	8,532,693	23.38
2015	79,935	7,319,779	7631	693,914	8,013,693	8,512,833	23.34
2016	81,250	7,351,730	7540	743,435	8,095,165	8,710,483	23.81
2017	81,968	7,414,290	7538	742,297	8,156,587	9,039,850	24.81
2018	83,475	7,622,518	7610	826,694	8,449,212	9,069,253	24.87
2019	84,690	7,706,260	7583	841,432	8,547,692	9,371,558	25.69
2020	88,741	8,599,372	8075	835,383	9,434,755	9,444,282	26.01
2021	91,246	7,650,849	6987	833,567	8,484,416	9,739,825	26.70
2022	92,832	7,499,120	6732	956,719	8,455,839	10,276,769	28.18
2023	95,339	7,619,966	6660	699,184	8,319,150	10,391,165	28.48

Historical customer statistics with respect to the Lee County Wastewater System are set forth below:

County Wastewater System Customer Accounts and Sales Statistics

	Retail Customers						
Fiscal Year	Average Accounts	Billed Flows (000s Gallons)	Monthly Flow per Account (Gallons)	Wholesale Billed Flows (000s Gallons)	Total Billed Sales (000s Gallons)	Treated Waste-Water Flows (000s Gallons)	ADF-MGD
2014	56,753	5,311,386	7799	277,082	5,588,468	5,883,559	16.12
2015	55,302	5,356,006	8071	218,764	5,574,770	5,749,641	15.80
2016	55,915	5,349,742	7973	214,637	5,564,379	5,938,595	16.23
2017	57,394	5,623,502	8165	231,480	5,854,982	5,924,544	16.23
2018	57,700	5,678,994	8202	258,346	5,937,340	5,964,972	16.39
2019	58,698	5,764,012	8183	265,886	6,029,898	6,049,577	16.59
2020	62,197	5,886,836	7887	268,460	6,155,296	6,078,878	16.67
2021	64,022	5,794,899	7543	143,965	5,938,864	6,245,673	17.12
2022	66,062	5,695,704	7185	295,982	5,991,686	6,087,388	16.68
2023	67,499	5,865,198	7241	265,084	6,130,282	5,834,648	15.99

Source: Lee County Utilities Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEM
September 30, 2023
(Unaudited)

County System Top Ten Retail Utility Customers (Based on Sales Revenue)

Customer	Class	Meter Size	Type of Service	System Revenue	% of Total County Sales Revenue
GULF COAST MEDICAL CENTER	Commercial	10"	Water/Sewer	$ 760,499	0.66%
LANDINGS ENV WRM ASSN INC	Multi-Family	6"	Water/Sewer	696,127	0.61%
GCTC HOLDINGS LLC	Commercial	2"	Water/Sewer	664,797	0.58%
HEALTH PARK MEDICAL CENTER	Commercial	6"	Water/Sewer	495,009	0.43%
JAMAICA BAY - VENTURE III LLC	Multi-Family	8"	Water	378,167	0.33%
BAYSIDE ESTATES	Multi-Family	3"	Water/Sewer	321,532	0.28%
KRAFT HEINZ COMPANY	Commercial	3"	Water/Sewer	304,661	0.27%
SHELL POINT VILLAGE	Multi-Family	10"	Water/Sewer	289,305	0.25%
ISLAND CLUB HOMEOWNERS ASSOC	Multi-Family	6"	Water/Sewer	273,795	0.24%
RIVERWOODS PLANTATION RV	Multi-Family	6"	Water/Sewer	273,687	0.24%
				$ 4,457,579	3.89%

Source: Lee County Utilities Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEM
September 30, 2023
(Unaudited)

Rate Comparison with Other Florida Utilities [1]
Residential Service Assuming 5,000 Gallons of Monthly Utility Service

	Water	Wastewater	Total
Lee County Existing Rates [2]	$ 31.25	$ 53.68	$ 84.93
Other Neighboring and Florida Utilities:			
Bonita Springs Utilities, Inc.	$ 32.48	$ 50.31	$ 82.79
City of Bradenton	33.45	41.90	75.35
Charlotte County	60.40	73.42	133.82
City of Cape Coral	36.94	68.29	105.23
Collier County	46.25	71.44	117.69
DeSoto County	59.71	55.30	115.01
Englewood Water District	33.70	50.38	84.08
FGUA - Lehigh Acres (Lee County)	48.94	79.01	127.95
FGUA - Lake Fairway / Pine Lakes Service Area (Lee County)	62.95	68.51	131.46
FGUA - North Fort Myers Service Area (3)	31.25	74.03	105.28
City of Fort Myers	35.85	91.26	127.11
Hillsborough County	37.23	49.36	86.59
Manatee County	23.63	51.59	75.22
City of Marco Island	58.41	58.27	116.68
City of Naples	17.23	45.50	62.73
City of North Port	51.97	72.63	124.60
Okeechobee Utility Authority	52.57	66.28	118.85
Pinellas County	32.06	57.73	89.79
City of Punta Gorda	35.56	40.14	75.70
Sarasota County	35.64	74.42	110.06
Other Florida Utilities Average	$ 41.31	$ 61.99	$ 103.30

[1] Unless otherwise noted, amounts shown reflect residential rates in effect October 2023 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.

[2] Amounts shown derived from the Rate Resolution of the County; the water bills shown include the application of the billing that is rendered on a "per bill" basis, regardless of service required by the customer.

[3] Reflects utility service area receiving wastewater service by FGUA and potable water service by Lee County.

Source: Lee County Utilities Division

Connection Fees Comparison With Other Utilities Systems [1]
(Rates per Equivalent Residential Unit (ERU))

	Water	Wastewater	Total
Lee County Existing Rates	$ 2,440	$ 2,660	$ 5,100
Other Neighboring and Florida Utilities:			
Pinellas County	$ 352	$ 2,060	$ 2,412
City of Bradenton	1,751	1,550	3,301
City of Sarasota	900	2,577	3,477
City of Naples	1,416	2,324	3,740
City of Fort Myers	2,070	2,011	4,081
City of North Port	2,319	2,255	4,574
Englewood Water District	1,751	2,754	4,505
Charlotte County	1,290	1,610	2,900
Manatee County	1,738	3,175	4,913
Orange County	1,970	3,570	5,540
City of Cape Coral	2,551	2,406	4,957
Collier County	3,382	3,314	6,696
City of Punta Gorda	1,497	2,760	4,257
Sarasota County	2,950	3,190	6,140
Hillsborough County - Northwest Service Area	2,214	3,651	5,865
FGUA - Lehigh Acres System (Lee County)	3,070	3,057	6,127
FGUA - North Fort Myers Service Area	2,440	2,804	5,244
FGUA - Lake Fairway/Pine Lakes Service Area (Lee County)	398	2,804	3,202
Bonita Springs Utilities, Inc.	3,040	3,925	6,965
City of Marco Island	4,380	5,220	9,600
City of Boca Raton	5,195	4,168	9,363
Other Florida Utilities Average	$ 2,223	$ 2,914	$ 5,136

[1] Unless otherwise noted, amounts shown reflect fees in effect October 2023 for a single equivalent residential unit or single family household exclusive of taxes or franchise fees, if any, and reflect fees charged for inside city service, where applicable. All fees are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all fees and charges imposed by each listed utility.

Source: Water and Wastewater Miscellaneous, Wholesale and Connection Fee Study

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY SOLID WASTE SYSTEM
September 30, 2023
(Unaudited)

System Historical Operating Results and Indenture Rate Covenant Compliance

Description	Fiscal Year 2019[7] Excludes Hurricane Irma Related Expenses	Fiscal Year 2019[7] Includes Hurricane Irma Expenses	Fiscal Year 2020[7] Excludes Hurricane Irma Related Expenses	Fiscal Year 2020[7] Includes Hurricane Irma Expenses	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023[8] Excludes Hurricane Ian Related Expenses	Fiscal Year 2023[8] Includes Hurricane Ian Expenses
Collection Assessment Revenues	$25,446,588	$25,446,588	$25,912,110	$25,912,110	$26,420,303	$26,976,762	$35,336,038	$35,336,038
Assessment, MSTU, and Tip Fee Revenues	55,901,892	55,901,892	56,415,882	56,415,882	65,289,466	70,578,998	88,236,971	88,236,971
WTE Facility - Gross Electric Sales [1]	9,489,326	9,489,326	6,092,684	6,092,684	9,000,401	21,999,858	11,005,079	11,005,079
Recycling Revenues	973,987	973,987	894,594	894,594	1,542,869	2,736,385	4,722,350	4,722,350
Other Miscellaneous Revenue [2]	8,633,868	10,842,283	7,571,966	37,674,989	9,317,841	10,373,958	12,113,488	44,913,254
Rate Stabilization Fund Transfers	-	-	-	-	-	-	-	-
Gross Revenues	100,445,661	102,654,076	96,887,236	126,990,259	111,570,880	132,665,961	151,413,927	184,213,693
Less Operating Expenses [3]	81,664,475	83,770,033	83,104,525	83,104,525	84,883,473	95,064,834	118,183,073	266,159,803
Net Revenues	18,781,186	18,884,043	13,782,711	43,885,734	26,687,407	37,601,127	33,230,854	(81,946,110)
Net Position[4]	13,182,804	13,182,804	16,937,243	16,937,243	37,295,296	21,051,042	6,240,768	6,240,768
Net Revenues and Net Position	$31,963,990	$32,066,847	$30,719,954	$60,822,977	$63,982,703	$58,652,169	$39,471,621	($75,705,343)
Annual Debt Service [5]								
Series 2016 Bonds	$8,546,500	$8,546,500	$8,557,750	$8,557,750	$8,564,000	$8,574,750	$8,589,000	$8,589,000
Total Annual Debt Service	$8,546,500	$8,546,500	$8,557,750	$8,557,750	$8,564,000	$8,574,750	$8,589,000	$8,589,000
Rate Covenant Test								
Test A:								
Net Revenues and Net Position	$31,963,990	$32,066,847	$30,719,954	$60,822,977	$63,982,703	$58,652,169	$39,471,621	($75,705,343)
Annual Debt Service	8,546,500	8,546,500	8,557,750	8,557,750	8,564,000	8,574,750	8,589,000	8,589,000
Annual Debt Service Coverage	3.74	3.75	3.59	7.11	7.47	6.84	4.60	(8.81)
Minimum Required Debt Service Coverage	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
AND								
Test B:								
Part 1								
Net Revenues	$18,781,186	$18,884,043	$13,782,711	$43,885,734	$26,687,407	$37,601,127	$33,230,854	($81,946,110)
Annual Debt Service	8,546,500	8,546,500	8,557,750	8,557,750	8,564,000	8,574,750	8,589,000	8,589,000
Annual Debt Service Coverage	2.20	2.21	1.61	5.13	3.12	4.39	3.87	(9.54)
Minimum Required Coverage	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Part 2								
Net Revenues Less Debt Service	$10,234,686	$10,337,543	$5,224,961	$35,327,984	$18,123,407	$29,026,377	$24,641,854	($90,535,110)
Required Deposits [6]	-	-	-	-	-	-	-	-
Net After Required Deposits	$10,234,686	$10,337,543	$5,224,961	$35,327,984	$18,123,407	$29,026,377	$24,641,854	($90,535,110)

[1] Amounts show reflect gross electric sales revenues; pursuant to agreement the County is required to remit 10% of gross electric revenues to the Operator.

[2] Amounts shown reflect other operating revenues including franchise fee revenues retained by the County, interest income of cash balances, sale of recovered materials from operation of the C&D recycling facility, advanced disposal fees, electric maintenance revenues, contractual reimbursements, sale of ferrous and non-ferrous metals and other miscellaneous revenues. Amounts shown are exclusive of gains on sale of system assets and fair value adjustments.

[3] Amounts shown are exclusive of depreciation, amortization, renewal and replacement expenses, OPEB and pension liabilities and landfill closure and post-closure expenses.

[4] Amount shown reflects the Net Position of the System Reserves Fund at September 30th of the prior year.

[5] Amounts shown reflect the monthly deposits to the Debt Service Fund for upcoming due (i.e. the accrued debt service).

[6] No required payments were identified since: a) the Debt Service Reserve Account Requirement was met through a Debt Service Reserve Account in the amount of $7.7 million and b) the Renewal and Replacement Fund Requirement was met through the maintenance of a $1.5 million cash deposit held within the Renewal and Replacement Fund.

[7] On September 10, 2017, Hurricane Irma hit SW Florida causing flooding, property damage, and downed trees. Debris clean up started just after the storm and continued into 2018. As of September 30, 2018, the costs to the Solid Waste System for contractual services, materials, and supplies related to the debris clean-up totaled $36,350,000. In 2018, the County applied to FEMA for reimbursement of those costs and received a significant portion of those funds in 2020. The costs of the hurricane related expenses are treated as non-recurring expenses for the debt service coverage as they are outside the normal day-to-day operations and should be reimbursed by FEMA. The System Historical Operating Results and Indenture Rate Covenant Compliance table shows the coverage with and with-out Hurricane Irma expenses for years 2018, 2019, and 2020 and FEMA reimbursements for years 2019 and 2020 for comparison.

[8] On September 28, 2022, Hurricane Ian hit SW Florida causing flooding, property damage, and downed trees. Debris clean up started just after the storm and continued into 2023. As of September 30, 2023, the costs to the Solid Waste System for contractual services, materials, and supplies related to the debris clean-up totaled $148,135,000. In 2023, the County applied to FEMA for reimbursement of those costs and received $39,110,000 of those funds in 2023. The costs of the hurricane related expenses are treated as non-recurring expenses for the debt service coverage as they are outside the normal day-to-day operations and should be reimbursed by FEMA. For year 2023, the System Historical Operating Results and Indenture Rate Covenant Compliance table shows the coverage with and with-out Hurricane Ian expenses and FEMA reimbursements for comparison.

Source: Lee County Clerk of Courts Finance Department and Lee County Solid Waste Division

Lee County, Florida

SUPPLEMENTAL SCHEDULES

LEE COUNTY SOLID WASTE SYSTEM

September 30, 2023

(Unaudited)

Summary of Historical Charges

Description	Fiscal Year 2022	Fiscal Year 2023	Adopted Fiscal Year 2024 [5]
Assessments:			
Collection (Avg. Areas 1-5) [1]	$145.62	$185.79	$192.09
Residential Credit	-	-	-
Disposal MSW	50.20	59.96	63.56
Disposal Yard Waste	6.62	6.62	7.02
Disposal Facility Assessment Charge	17.25	18.61	18.61
Recycling Assessment	11.05	11.05	11.05
Billing Fee	2.45	2.45	2.45
Early Prepayment Gross Up (4%) (Avg. Areas 1-5) [1]	9.72	11.85	12.28
Gross Assessment Average for Areas 1-5 [2]	$242.91	$296.33	$307.06
Assessment Paid in February = 1% Discount	$240.48	$293.37	$303.99
Assessment Paid in January = 2% Discount	238.05	290.40	300.92
Assessment Paid in December = 3% Discount	235.62	287.44	297.85
Assessment Paid in November = 4% Discount	233.19	284.48	294.78
Tip Fees per Ton by Waste Type:			
MSW w/o Surcharges	$50.20	$59.96	$63.56
MSW w/ Surcharges [3]	50.20	59.96	63.56
Horticulture / Yard Waste	37.50	38.58	39.97
C&DD	60.00	61.72	63.94
Class III	60.00	61.72	63.94
Tires	160.00	160.00	160.00
Disposal Facility Assessment per Ton [4]	$17.25	$18.61	$18.61

[1] Amounts shown reflect the average fee charged for the primary franchise collection Areas 1-5.

[2] Reflects gross assessments before early prepayment discounts as allowed by F.S. Chapter 197.

[3] Unincorporated waste generated by Commercial and Multi-Family customers are charged a gate fee per ton including the addition of the base tip fee plus applicable surcharges per ton for MSW disposal.

[4] Presented for informational purposes only since the disposal facility assessment charge is charged to all MSW customers by assessment, with exception to Hendry County customers.

[5] The County approved the Fiscal Year 2023 charges for services on August 2, 2022 pursuant to Resolution 21-08-07.

Source: Lee County Solid Waste Division

Lee County, Florida

SUPPLEMENTAL SCHEDULES

LEE COUNTY SOLID WASTE SYSTEM

September 30, 2023

(Unaudited)

Summary of Historical Inbound Waste Deliveries (Tons) by Type of Waste [1]

Description	Historical Period 2019	2020	2021	2022	2023
MSW / Residue [2]	579,041	582,477	631,785	655,395	727,695
C&D / Class III	152,206	164,875	141,710	148,040	329,123
Yard Waste	103,196	121,563	127,725	120,394	122,737
Sludge (Wet Tons)	70,369	65,627	72,715	68,391	64,483
Tires	5,968	6,268	8,794	8,689	16,291
Other [3]	288	6,894	4,930	14,548	7,761
Recycling [4]	83,394	86,379	88,045	85,783	84,543
Total	**994,462**	**1,034,083**	**1,075,704**	**1,101,240**	**1,352,633**

[1] Amounts shown exclude ash residue since such waste is not considered an inbound waste to the system and is generated from processing of MSW and other processable inbound waste at the WTE facility.

[2] Amounts shown include MSW waste and recycling residue that is processed at the WTE facility.

[3] Amounts shown primarily reflect contaminated sand, but also include minor amounts of waste categorized as certified destroyed waste, international waste, asbestos, oil wastes, and other miscellaneous wastes.

[4] Amounts shown net of recycling residue processed at the WTE facility; however, includes some residue that is disposed of or used as cover at the Lee / Hendry Landfill.

Source: Lee County Solid Waste Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY SOLID WASTE SYSTEM
September 30, 2023
(Unaudited)

Summary of Historical Waste-to-Energy (WTE) Processing Statistics [1]

Description	Historical Period 2019	2020	2021	2022	2023
Annualized Design Capacity (Tons) [1]	670,140	670,140	670,140	670,140	670,140
Guaranteed Tonnage (Tons) [2]	569,619	569,619	569,619	569,619	569,619
Processed Waste (Tons)	620,028	599,559	587,031	580,064	519,200
Received MSW/Residue (Tons) [3]	534,965	548,088	576,969	574,509	534,579
MSW as % of Processed	86.3%	91.4%	98.3%	99.0%	103.0%
WTE Production Statistics:					
Generated Ash Residue (Tons)	164,159	153,382	139,213	128,581	129,350
Ash as % of Waste Processed	26.5%	25.6%	23.7%	22.2%	24.9%
Gross Electricity (MW-hr)	401,031	380,622	348,053	377,879	321,136
Net Electrictiy (MW-hr) [4]	343,894	322,681	288,914	318,634	265,599
Ferrous Recovery (Tons) [5]	17,048	20,755	20,366	18,986	19,557
Non-Ferrous Recovery (Tons) [5]	2,738	2,601	2,126	2,079	1,713

[1] Amounts shown are based on the annualized design capatiy of 1,836 tons per day (not adjusted for leap years) and were not adjusted for any typical or routine maintenance, which would limit the actual capacity for the facility over a twelve (12) month period.

[2] Amounts shown reflect the minimum commitment of processable waste deliveries by the County pursuant to contractual agreement.

[3] Includes residues from reycling processed at the WTE Facility and considered comparable to MSW.

[4] Reflects gross production of electricity net of in-plant use.

[5] The County partnered with the Operator to install an enhanced metals recovery system, which substantially increased the amount of recovered ferrous and non-ferrous metals approximately 15,000 tons per year to 20,000 tons per year.

Source: Lee County Solid Waste Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY TRANSPORTATION FACILITIES
September 30, 2023
(unaudited)

Toll Rates - Sanibel Bridge

The schedule below reflects the toll structure:

Vehicle Class	September 30, 2023
2 axles	$ 6.00
3 axles	9.00
4 axles	12.00
5 axles	15.00
6 or more axles, per axle	3.00

Commuters can choose between annual or semi-annual electronic toll collection ("ETC") discount programs that, depending on the cost of the program, require no additional toll ("Unlimited ETC") or a $2.00 toll for each westbound crossing. Purchasers of Unlimited ETC's at least one month after the beginning of the validity period (May 1 or November 1) are entitled to a prorated discount on the purchase price. In addition, further discounts on the cost of the ETC are offered for non-commercial vehicles registered or leased to the same natural person (the "Second Vehicle") who has purchased a discount program for a first vehicle (the "Initial Vehicle").

The following table sets forth the toll rates for two axle vehicles that carry an ETC transponder:

Type of Discount Program	Vehicle	Cost of Discount Program	Additional Toll
Annual[1]	Initial Vehicle	$ 67.00	$ 2.00
	Second Vehicle	33.50	2.00
	Initial Vehicle	400.00	--
	Second Vehicle	200.00	--
Semiannual[2]	Initial Vehicle	50.00	2.00
	Second Vehicle	25.00	2.00
	Initial Vehicle	300.00	--
	Second Vehicle	150.00	--

Source: June 2007 Toll Resolution

[1] Valid for 12 months commencing November 1 of each year.

[2] Valid for 6 months commencing on November 1 or May 1 of each year.

In addition to discount programs valid only on the Sanibel Causeway, commuters can also choose to purchase unlimited discount programs that are valid on all three facilities. The costs of combination unlimited discount programs are also subject to proration as described above in the case of ETC's for the Sanibel Causeway. The costs are as follows:

COMBINATION TOLLS
(Sanibel Causeway, Cape Coral Bridge and Midpoint Memorial Bridge)

Type of Discount Program	Vehicle	Cost of Discount Program	Additional Toll
Annual[1]	Initial Vehicle	$ 107.00	$1.00 for Cape Coral or Midpoint; $ 2.00 for Sanibel
	Second Vehicle	53.50	$1.00 for Cape Coral or Midpoint; $2.00 for Sanibel
	Initial Vehicle	730.00	--
	Second Vehicle	365.00	--
Semiannual[2]	Initial Vehicle	74.00	$1.00 for Cape Coral or Midpoint; $2.00 for Sanibel
	Second Vehicle	37.00	$1.00 for Cape Coral or Midpoint; $2.00 for Sanibel
	Initial Vehicle	500.00	--
	Second Vehicle	250.00	--

Source: June 2007 Toll Resolution

[1] Valid for 12 months commencing November 1 of each year.

[2] Valid for 6 months commencing on November 1 or May 1 of each year.

Toll Rates - Cape Coral Bridge and Midpoint Memorial Bridge

The schedule below reflects the toll structure:

Vehicle Class	September 30, 2023
2 axles	$ 2.00
3 axles	4.00
4 axles	6.00
5 axles	8.00
6 or more axles, per axle	2.00
Commuter Discounts	(see next page)

The Cape Coral Bridge and Midpoint Memorial Bridge toll structure also offers commuter toll discounts similar to those offered on the Sanibel Causeway. The annual or semi-annual ETC, depending on its cost, requires either (i) no additional toll or (ii) one dollar ($1.00) toll for each westbound crossing. Second Vehicle discounts are available. Combination ETC's which are valid on both the Sanibel Causeway and the Cape Coral Bridge are also available. See the previous Combination Tolls table for a list of toll rates for combination ETC's.

The following table sets forth the toll rates for two axle vehicles that carry an ETC transponder:

Type of Discount Program	Vehicle	Cost of Discount Program	Additional Toll
Annual[1]	Initial Vehicle	$ 40.00	$ 1.00
	Second Vehicle	20.00	1.00
	Initial Vehicle	330.00	--
	Second Vehicle	165.00	--
Semiannual[2]	Initial Vehicle	24.00	1.00
	Second Vehicle	12.00	1.00
	Initial Vehicle	200.00	--
	Second Vehicle	100.00	--

Source: June 2007 Toll Resolution

[1] Valid for 12 months commencing November 1 of each year.

[2] Valid for 6 months commencing on November 1 or May 1 of each year.

Variable Pricing Program

During the term of the variable pricing program, the toll rates for off-peak usage with and without an ETC transponder for each westbound trip on the Cape Coral and Midpoint Memorial Bridges are set forth in the table below:

Vehicle Class	Specified Off-Peak Hour Toll Without ETC	Specified Off-Peak Hour Toll With ETC
2 axles	2.00	$ 1.50/0.75
3 axles	4.00	3.00
4 axles	6.00	4.50
5 axles	8.00	6.00
6 or more axles	2.00 per axle	1.50 per axle

Source: Lee County Department of Transportation

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY TRANSPORTATION FACILITIES
September 30, 2023
(unaudited)

TRANSPORTATION FACILITIES TRAFFIC, REVENUES AND EXPENSES BY BRIDGE

MIDPOINT MEMORIAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

	TOLL PAYING TRAFFIC						
Year	Passenger Cars	Other Traffic[1]	Total	Percentage Change	Gross Toll Revenues	Operating and Maintenance Expenses[2]	Net Revenues
					(000's omitted)	(000's omitted)	(000's omitted)
2014	7,432,895	165,659	7,598,554	2.23%	$ 14,164	$ 3,888	$ 10,276
2015[3]	7,800,958	174,168	7,975,126	4.96%	14,988	3,412	11,576
2016[3]	8,088,851	180,033	8,268,884	3.68%	15,831	3,355	12,476
2017[3]	7,910,053	179,967	8,090,020	-2.16%	15,754	3,396	12,358
2018[3]	8,511,750	195,596	8,707,346	7.63%	16,339	2,797	13,542
2019[3]	8,532,718	189,348	8,722,066	0.17%	16,734	2,822	13,912
2020[3]	7,884,197	187,370	8,071,567	-7.46%	13,925	2,948	10,977
2021[3]	8,646,399	208,537	8,854,936	9.71%	15,039	3,786	11,253
2022[3]	8,650,061	215,739	8,865,800	0.12%	15,031	2,455	12,576
2023[3]	8,440,286	251,812	8,692,098	-1.96%	14,369	2,868	11,501

CAPE CORAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

	TOLL PAYING TRAFFIC						
Year	Passenger Cars	Other Traffic[1]	Total	Percentage Change	Gross Toll Revenues	Operating and Maintenance Expenses[2]	Net Revenues
					(000's omitted)	(000's omitted)	(000's omitted)
2014	7,521,133	147,931	7,669,064	4.56%	$ 13,685	$ 3,737	$ 9,948
2015[3]	7,872,440	150,196	8,022,636	4.61%	14,327	3,397	10,930
2016[3]	8,114,891	152,000	8,266,891	3.04%	15,014	3,392	11,622
2017[3]	7,925,272	146,445	8,071,717	-2.36%	14,819	3,565	11,254
2018[3]	8,210,849	153,337	8,364,186	3.62%	14,890	2,544	12,346
2019[3]	8,304,477	148,860	8,453,337	1.07%	15,458	3,115	12,343
2020[3]	7,569,884	131,561	7,701,445	-8.89%	12,798	2,886	9,912
2021[3]	8,238,646	125,856	8,364,502	8.61%	13,781	3,657	10,124
2022[3]	8,394,790	105,975	8,500,765	1.63%	13,943	2,567	11,376
2023[3]	7,728,916	159,725	7,888,641	-7.20%	12,802	3,269	9,533

SANIBEL CAUSEWAY TRAFFIC, REVENUE AND EXPENSES

	TOLL PAYING TRAFFIC(1)						
Year	Passenger Cars	Other Traffic[1]	Total	Percentage Change	Gross Toll Revenues	Operating and Maintenance Expenses[2]	Net Revenues
					(000's omitted)	(000's omitted)	(000's omitted)
2014	3,090,340	75,346	3,165,686	3.37%	$ 14,104	$ 2,597	$ 11,507
2015[3]	3,207,115	75,674	3,282,789	3.70%	14,715	2,251	12,464
2016[3]	3,256,170	80,885	3,337,055	1.65%	15,040	2,250	12,790
2017[3]	3,197,201	80,084	3,277,285	-1.79%	15,040	2,315	12,725
2018[3]	3,181,372	82,851	3,264,223	-0.40%	14,527	1,927	12,600
2019[3]	3,210,873	82,899	3,293,772	0.91%	14,925	2,021	12,904
2020[3]	2,919,222	78,139	2,997,361	-9.00%	12,710	2,024	10,686
2021[3]	3,338,579	80,542	3,419,121	14.07%	14,482	2,727	11,755
2022[3]	3,422,275	82,879	3,505,154	2.52%	14,845	1,951	12,894
2023[3]	1,962,699	132,421	2,095,120	-40.23%	8,396	2,243	6,153

(1) Includes motorcycles and 3+ axle vehicles.
(2) Does not include depreciation.
(3) Operating and Maintenance Expenses do not include unfunded OPEB and Pension expenses.

Source: Lee County Department of Transportation

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY TRANSPORTATION FACILITIES
September 30, 2023
(unaudited)

Revenues, Operating Expenses and Debt Service Coverage

Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Revenues	Operating Expenses [1][2]	Net Available for Debt Service	Debt Service	Coverage
2014	$ 41,966	$ 10,158	$ 31,808	$ 15,756	2.02
2015	44,113	8,906	35,207	15,352	2.29
2016	46,008	8,910	37,098	14,230	2.61
2017	45,742	9,376	36,366	14,349	2.53
2018	47,492	9,872	37,620	14,303	2.63
2019	49,952	12,344	37,608	9,811	3.83
2020	44,608	12,391	32,217	9,805	3.29
2021	43,708	12,137	31,571	9,795	3.22
2022	53,957	18,153	35,804	9,781	3.66
2023	42,849	15,405	27,444	9,782	2.81

(1) Amount shown does not include depreciation or amortization expenses which are not considered an operating expense pursuant to the County's Bond Resolution.

(2) Beginning in fiscal year 2015, operating expenses do not include under funded OPEB pension expenses, pursuant to the County's Bond Resolution. Fiscal year include the annual OPEB cost in the operating expenses and is not adjusted for funding.

Source: Lee County Clerk of Courts Finance Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
September 30, 2023
(unaudited)

The following table lists the airlines serving the Airport, including all airlines operating passenger service into the Airport which have entered into an Airline-Airport Use and Lease Agreement with the Authority (the "Signatory Airlines").

Airlines Serving the Airport[1]

Domestic Carriers	Regionals/Affiliates
Alaska Airlines	Endeavor Air
American Airlines*	Envoy Air
Avelo Airlines	Mesa Airlines
Breeze Airlines	PSA Airlines
Delta Air Lines *	Republic
JetBlue*	
Frontier*	
Southwest*	
Spirit Airlines*	
Sun Country*	
United*	

International Air Carriers	Air Cargo Carriers
Air Canada	Federal Express
Eurowings Discover	United Parcel Service
Swift Air International	
WestJet	

* Denotes Signatory Airline as defined in Airline-Airport Use Agreements as of September 30, 2023.

(1) During the peak winter months, a number of other domestic and international charter airlines also operate at the Airport.

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
September 30, 2023
(Unaudited)

Airport Enplanements October 2022 - September 2023

	Commercial Air Carriers	Regionals/ Affiliates	International Air Carriers	Domestic Charters	Total Enplanements	Total Enplanements for Month in Prior Year	Percentage Change
October 2022	194,863	49	5,516	-	200,428	364,666	-45.0%
November 2022	391,079	-	13,299	-	404,378	494,138	-18.2%
December 2022	400,673	-	14,029	-	414,702	520,675	-20.4%
January 2023	448,775	1,423	19,847	-	470,045	534,017	-12.0%
February 2023	453,614	1,830	16,029	-	471,473	558,291	-15.6%
March 2023	561,564	2,034	20,264	-	583,862	759,878	-23.2%
April 2023	506,155	2,251	20,454	-	528,860	646,685	-18.2%
May 2023	396,664	412	6,893	-	403,969	443,579	-8.9%
June 2023	319,536	-	7,063	-	326,599	336,737	-3.0%
July 2023	329,076	-	7,880	-	336,956	336,082	0.3%
August 2023	298,271	-	7,179	-	305,450	316,025	-3.3%
September 2023	269,110	-	5,569	-	274,679	260,764	5.3%

The following table sets forth the historical enplanements for the Airport by air carrier type, as well as the annual percentage increase in enplaned passengers.

Historical Enplanements by Carrier Type

Fiscal Year	Commercial Air Carriers	Regionals/ Affiliates	International Air Carriers	Domestic Charters	Airport Total
2014	3,746,073	93,886	147,248	2,109	3,989,316
2015	3,902,841	91,052	158,426	2,870	4,155,189
2016	4,030,128	103,863	188,683	10,323	4,332,997
2017	4,100,935	111,095	197,746	11,892	4,421,668
2018	4,415,623	67,790	171,193	7,607	4,662,213
2019	4,775,708	62,171	188,521	275	5,026,675
2020	3,332,299	74,317	121,469	191	3,528,276
2021	4,429,578	97,408	7,601	389	4,534,976
2022	5,421,160	37,532	112,492	353	5,571,537
2023	4,569,380	7,999	144,022	0	4,721,401
Compounded Growth					
2014-2023	2.23%	-23.94%	-0.25%	-100.00%	1.89%

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2023
(Unaudited)

HISTORICAL LANDED WEIGHT BY AIRLINE (1000 lbs)

	FY 2022		FY 2023	
Airline	Landed Weight	Share	Landed Weight	Share
Delta	1,224,346	19.9%	1,075,794	20.1%
Southwest	1,043,275	17.0%	975,341	18.3%
American	823,052	13.4%	773,468	14.5%
United	823,656	13.4%	719,977	13.5%
JetBlue	629,481	10.2%	533,564	10.0%
Spirit Airlines	520,044	8.5%	315,401	5.9%
Frontier	448,704	7.3%	267,693	5.0%
Cargo	192,128	3.1%	220,004	4.1%
International Airlines	160,785	2.6%	184,522	3.5%
Sun Country	151,831	2.5%	133,353	2.5%
Avelo Airlines	30,354	0.5%	70,093	1.3%
Breeze Airlines	8,045	0.1%	36,245	0.7%
Alaska Airlines	31,760	0.5%	22,002	0.4%
Envoy	3,748	0.06%	8,991	0.2%
Republic Airline	29,272	0.5%	2,761	0.0%
PSA Airlines	1,051	0.02%	979	0.0%
Mesa Airlines	12,293	0.2%	320	0.0%
Domestic Charters	19,247	0.31%	242	0.0%
Endeavor Air	225	0.0%	-	0.0%
Total	6,153,295	100%	5,340,749	100%

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2023
(Unaudited)

HISTORICAL ENPLANEMENTS BY AIRLINE

	FY 2022		FY 2023	
Airline	Enplanements	Share	Enplanements	Share
Delta	1,165,759	20.9%	1,020,041	21.6%
Southwest	1,005,145	18.0%	862,473	18.3%
American	790,635	14.2%	703,414	14.9%
United	745,055	13.4%	674,761	14.3%
JetBlue	580,793	10.4%	499,406	10.6%
Spirit Airlines	483,302	8.7%	290,267	6.1%
Frontier	430,042	7.7%	267,430	5.7%
International Airlines	112,492	2.0%	144,022	3.1%
Sun Country	159,423	2.9%	139,484	3.0%
Avelo Airlines	30,118	0.54%	68,861	1.5%
Breeze Airlines	3,894	0.07%	23,301	0.5%
Alaska Airlines	26,994	0.48%	19,942	0.4%
Envoy	1,125	0.02%	5,239	0.0%
Republic Airline	24,015	0.4%	1,874	0.0%
PSA Airlines	1,030	0.02%	886	0.0%
Mesa Airlines	11,135	0.2%	-	0.0%
Domestic Charters	353	0.01%	-	0.0%
Endeavor Air	227	0.0%	-	0.0%
Total	5,571,537	100%	4,721,401	100%

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2023
(Unaudited)

An Airport's air service is often measured through the distribution of its origin and destination (O & D) markets, which is a function of air travel demands and the airport's available nonstop service. The following table presents historical data on the Airport's top 30 O&D markets.

PRIMARY DOMESTIC ORIGIN & DESTINATION PASSENGER MARKETS

Fiscal Year 2022							Fiscal Year 2023						
Rank	Market		Nonstop Service	Nonstop Miles	Total O&D Passengers	Percent of Total	Rank	Market		Nonstop Service	Nonstop Miles	Total O&D Passengers	Percent of Total
1	Chicago (O'Hare)	ORD	•	1,120	762,724	6.88%	1	Chicago (O'Hare)	ORD	•	1,120	748,830	7.97%
2	Detroit	DTW	•	1,085	642,632	5.80%	2	Boston	BOS	•	1,249	722,475	7.69%
3	Minneapolis	MSP	•	1,416	642,342	5.80%	3	Minneapolis	MSP	•	1,416	662,091	7.05%
4	Boston	BOS	•	1,249	570,167	5.15%	4	Detroit	DTW	•	1,085	633,160	6.74%
5	New York (Newark)	EWR	•	1,068	557,830	5.04%	5	New York (Newark)	EWR	•	1,068	605,155	6.44%
6	Philadelphia	PHL	•	992	400,216	3.61%	6	Philadelphia	PHL	•	992	407,598	4.34%
7	Cleveland	CLE	•	1,037	390,218	3.52%	7	Cleveland	CLE	•	1,037	366,014	3.90%
8	Indianapolis	IND	•	966	306,810	2.77%	8	New York (JFK)	JFK	•	1,074	361,892	3.85%
9	Chicago (Midway)	MDW	•	1,105	305,642	2.76%	9	Chicago (Midway)	MDW	•	1,105	331,233	3.53%
10	New York (JFK)	JFK	•	1,074	293,834	2.65%	10	New York (La Guardia)	LGA	•	1,090	323,814	3.45%
11	Denver	DEN	•	1,606	260,291	2.35%	11	Cincinnati	CVG	•	878	280,898	2.99%
12	Cincinnati	CVG	•	878	255,489	2.31%	12	Indianapolis	IND	•	966	275,339	2.93%
13	Columbus	CMH	•	930	243,863	2.20%	13	Atlanta	ATL	•	515	273,321	2.91%
14	Atlanta	ATL	•	515	234,103	2.11%	14	Denver	DEN	•	1,606	265,224	2.82%
15	Baltimore	BWI	•	946	220,702	1.99%	15	Baltimore	BWI	•	946	242,093	2.58%
16	Milwaukee	MKE	•	1,183	219,314	1.98%	16	Columbus	CMH	•	930	221,826	2.36%
17	St. Louis	STL	•	979	214,144	1.93%	17	Pittsburg	PIT	•	966	216,153	2.30%
18	New York (La Guardia)	LGA	•	1,090	212,387	1.92%	18	St. Louis	STL	•	979	202,308	2.15%
19	Pittsburg	PIT	•	966	208,286	1.88%	19	Washington (National)	DCA	•	892	197,788	2.11%
20	Washington (National)	DCA	•	892	154,184	1.39%	20	Milwaukee	MKE	•	1,183	173,032	1.84%
21	Hartford	BDL	•	1,180	152,712	1.38%	21	Dallas/Ft. Worth	DFW	•	1,017	165,382	1.76%
22	Dallas/Ft. Worth	DFW	•	1,017	144,810	1.31%	22	Hartford	BDL	•	1,180	148,239	1.58%
23	Kansas City	MCI	•	1,156	125,573	1.13%	23	Westchester County	HPN	•	1,102	145,643	1.55%
24	Atlantic City	ACY	•	982	124,699	1.13%	24	Nashville International	BNA	•	722	129,709	1.38%
25	Westchester County	HPN	•	1,102	120,718	1.09%	25	Atlantic City	ACY	•	982	129,092	1.37%
26	Providence	PVD	•	1,201	114,171	1.03%	26	Dulles	IAD	•	891	122,439	1.30%
27	Nashville International	BNA	•	722	111,148	1.00%	27	Charlotte	CLT	•	600	117,583	1.25%
28	Charlotte	CLT	•	600	106,792	0.96%	28	New Haven	HVN	•	1,134	112,011	1.19%
29	Dulles	IAD	•	891	105,511	0.95%	29	Kansas City	MCI	•	1,156	106,078	1.13%
30	Buffalo	BUF	•	1,144	101,341	0.91%	30	Houston	IAH	•	861	101,678	1.08%
	Total- Top 30 Markets				8,302,653	74.9%		Total- Top 30 Markets				8,788,098	93.6%
	Total - All Other Markets				2,775,810	25.1%		Total - All Other Markets				603,746	6.4%
	Total - All Markets				11,078,463	100.0%		Total - All Markets				9,391,844	100.0%

Source: U.S. DOT O&D Summary Report

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2023
(Unaudited)

Historical aircraft operations are defined as the arrival or departure of an aircraft. The following table presents historical data on the Airport's aircraft operations by carrier class.

HISTORICAL AIRCRAFT OPERATIONS

Fiscal Year	Commercial Air Carriers	Regionals/ Affiliates	International Air Carriers	Domestic Charters	General Aviation[1]	All-Cargo	Military	Airport Total
2014	58,796	4,596	2,000	90	10,154	1,106	914	77,656
2015	58,784	4,566	2,148	146	10,354	1,132	1,313	78,443
2016	59,842	4,498	3,100	342	9,228	1,228	1,206	79,444
2017	60,786	4,662	2,838	414	10,971	1,324	1,284	82,279
2018	63,548	3,230	2,420	278	9,360	1,596	1,205	81,637
2019	66,752	2,188	2,240	42	9,551	1,810	1,204	83,787
2020	57,946	2,684	1,784	42	10,803	1,646	1,601	76,506
2021	74,318	3,336	288	50	14,641	1,546	1,263	95,442
2022	77,608	1,254	1,846	98	13,798	1,528	1,081	97,213
2023	65,872	348	2,144	4	12,248	1,622	1,090	83,328
Compounded Growth								
2014-2023	1.27%	-24.93%	0.78%	-29.24%	2.11%	4.35%	1.98%	0.79%

[1] Also includes activity by miscellaneous air taxis.

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2023
(dollars in thousands)

HISTORICAL STATEMENT OF NET REVENUES [1]
FISCAL YEARS 2019-2023

OPERATING REVENUES:	2019	2020	2021	2022[11]	2023[11]
User fees	$ 42,310	$ 37,836	$ 41,367	$ 44,246	$ 50,303
Rentals and franchise fees	4,592	4,834	4,982	5,831	5,643
Concessions	51,773	34,563	48,857	68,297	61,475
Passenger facility charges[2]	-	2,557	2,915	3,654	3,047
Passenger facility charges applied to debt services	-	-	-	7,287	7,831
Interest revenue	3,700	1,625	219	4,006	19,114
Miscellaneous[3]	217	74	1,246	311	522
Total Operating Revenues	102,592	81,489	99,586	133,632	147,935
OPERATING EXPENSES[4]:					
Salaries and wages [5]	22,241	23,250	24,186	26,265	26,644
Employee benefits	10,341	11,066	12,272	13,432	15,198
Contractual services, materials and supplies[6]	20,592	15,413	15,466	17,960	20,696
Utilities	4,184	3,990	4,128	5,008	5,546
Repairs and maintenance	2,960	2,178	2,710	2,779	3,412
Insurance	1,576	1,595	1,772	2,243	3,077
Other	1,896	2,067	1,470	1,780	2,081
Total Operating Expenses	63,790	59,559	62,004	69,467	76,654
NET REVENUES	38,802	21,930	37,582	64,165	71,281
Tranfers in[2]	3,306	-	-	-	-
Transfers in (Other)[7]	370	239	31	224	289
Bond debt service interest	13,374	12,694	11,279	14,289	14,405
Bond Principal[8]	11,310	3,340	3,580	5,135	14,750
TOTAL DEBT SERVICE:	$ 24,684	$ 16,034	$ 14,859	$ 19,424	$ 29,155
BOND SERVICE REQUIREMENT COVERAGE[9]	1.57	1.37	2.53	3.30	2.44
BOND SERVICE REQUIREMENT COVERAGE AFTER TRANSFERS[10]	1.72	1.38	2.53	3.31	2.45

[1] Net Revenues are determined in accordance with the bond resolution as excerpted from the audited financial statements.
[2] Includes transfers from surplus Passenger Facility Charges (PFC) used to pay debt service on the Series 2010, 2011 and 2015 bonds in accordance with Federal Aviation Administration approvals. Beginning Fiscal Year 2020, these transfers are considered as revenue.
[3] Miscellaneous Revenue excludes revenue from the sale of disposed property beginning in FY21 in accordance with the bond resolution.
[4] Operating Expenses do not include depreciation, amortization and unpaid pension and other postemployment benefits expense in accordance with the bond resolution.
[5] Salaries and wages reduced with moneys received from the ARP Act by $3.8M in FY2023.
[6] Contractual services reduced with moneys received from the CARES, CRRSA and ARP Act by $2.3M, $3.5M, $4.7 and $7.4 in FY2020, FY2021, FY2022 and FY2023, respectively.
[7] Other transfers include a Federal Inspection Station user fee of $2.00 per deplaned passenger.
[8] Principal reduced by early redemption of Airport Revenue Refunding Bonds, Series 2010A paid with moneys received from the CARES Act and ARP Act by $8.6M, $8.7M and $9.6M in FY2020, FY2021 and FY2022, respectively.
[9] 1.00x Required Coverage
[10] 1.25x Required Coverage
[11] Principal and interest paid on the taxable subordinate revolving credit facility were $9.8M and $0.2M, respectively in FY2022. In FY2023, principal and interest paid were $12.9M and $0.3M, respectively. While the reductions in principal were paid with moneys received from grants, net revenues were sufficient to cover these payments.

Source: Lee County Clerk of Courts Finance Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
September 30, 2023
(Unaudited)

PASSENGER FACILITY CHARGE REVENUE REPORT

Fiscal Year Ended September 30	Total Enplaned Passengers	Eligible Enplaned Passengers	Net PFC Cash Collections	Interest Income	Total PFC Revenue
2022	5,571,537	5,483,920	$ 21,264,856	$ 181,067	$ 21,445,923
2023	4,721,401	4,637,494	18,176,851	1,310,211	19,487,062

Source: Lee County Port Authority



Photos courtesy of Fort Myers - Islands, Beaches and Neighborhoods.



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Lee County, Florida

Single Audit Reports

For the Year Ended September 30, 2023

(With Independent Auditors' Report Thereon)



LEE COUNTY, FLORIDA

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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
Lee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lee 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 March 18, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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.

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

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Report on Compliance and Other Matters

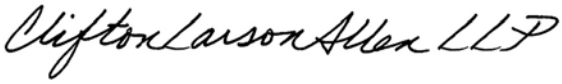
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Lee County, Florida's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of 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

Fort Myers, Florida
March 18, 2024

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

Board of County Commissioners
Lee 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 Lee County, Florida's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the State of 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 (Chapter 10.550). 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 or 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and Chapter 10.550 and which is described in the accompanying schedule of findings and questioned costs as item 2023-002. Our opinion on each major federal program and state project is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-002 to be a significant deficiency.

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

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

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

Board of County Commissioners
Lee County, Florida

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of 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. We have issued our report thereon, dated March 18, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Myers, Florida
March 18, 2024

LEE COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Fiscal Year ended September 30, 2023

Federal/State grantor /Program or Cluster Title	Assistance listing number or CSFA number	Grant number	Pass-through entity	Federal/State award amount	Expenditures	2022-2023 Transfers to Subrecipients
U.S. Department of Agriculture:						
Emergency Watershed Protection - Hurricane Ian Waterway Debris	10.923	5078		14,410,701	8,376,872	
Total U.S. Department of Agriculture				14,410,701	8,376,872	-
U.S. Election Assistance Commission:						
HAVA Election Security Grant	90.404	23.e.es.100.035	Florida Department of State, Div of Elections	189,955	189,955	
Total U.S. Election Assistance Commission				189,955	189,955	-
U.S. Department of Health & Human Services:						
Temporary Assistance for Needy Families program:						
Temporary Assistance for Needy Families - Homeless Prevention (FY22-23)	93.558	QPZ02	Florida Department of Children and Families	46,582	33,821	33,821
Temporary Assistance for Needy Families - Homeless Prevention (FY23-24)	93.558	QPZ02	Florida Department of Children and Families	46,582	16,307	16,307
Total Temporary Assistance for Needy Families Program				93,164	50,128	50,128
Community Services Block Grant Program:						
COVID-19 Community Services Block Grant - FY20	93.569	17SB-0D-09-46-01-114 (E2008)	Florida Department of Economic Opportunity	612,425	1,750	
COVID-19 Community Services Block Grant - FY21	93.569	E2008		738,499	11,160	
Community Services Block Grant - Tornado Relief	93.569	E2008		300,000	224,123	
Community Services Block Grant FY22	93.569	E2008		416,674	290,887	
Community Services Block Grant FY23	93.569	E2008		489,233	56,302	
Total Community Services Block Grant Program				2,556,831	584,222	-
Low Income Home Water Assistance Program (LIHWAP)	93.499	E2008		537,646	533,210	
Low Income Home Water Assistance Program (LIHWAP)	93.499	E2008		133,708	95,322	
Low Income Home Water Assistance Program (LIHWAP)	93.499	E2008		319,672	203,986	
Total Program				991,026	832,518	-
Child Support Enforcement Program (Federal Initiative)	93.563	COC36	Florida Department of Revenue	356,130	356,130	
Low Income Home Energy Assistance Program (LIHEAP) - FY20-21	93.568	E2008	Florida Department of Economic Opportunity	2,041,643	1,398,933	
Low Income Home Energy Assistance Program (LIHEAP) - FY21-22	93.568	G-2102FLLIEA (E2008)	Florida Department of Economic Opportunity	2,342,201	446,124	
Low Income Home Energy Assistance Program (LIHEAP) - FY22-23	93.568	E2008	Florida Department of Economic Opportunity	1,725,497	1,725,497	
Low Income Home Energy Assistance Program (LIHEAP) - FY23-24	93.568	E2008	Florida Department of Economic Opportunity	2,253,465	519,281	
Total Program				8,362,806	4,089,835	-
Total U.S. Department of Health & Human Services				12,359,957	5,912,833	50,128
U.S. Department of Homeland Security:						
COVID-19: Disaster Grant-Public Assistance - DR-4486 FEMA Vax	97.036	Z1847	Florida Division of Emer gency Management		3,446,249	
Disaster Grant-Public Assistance - Hurricane IAN DR-4673	97.036	Z2887	Florida Division of Emergency Management		46,710,640	
Disaster Grant-Public Assistance - RSW/RSW FEMA Grant FY18-19	97.036	Z0114	Florida Division of Emergency Management		854	
Disaster Grant-Public Assistance - RSW/RSW FEMA Grant (State) FY18-19	97.036	Z0114	Florida Division of Emergency Management		47	
Disaster Grant-Public Assistance - DR 4673- Hurricane Ian	97.036	Z2991	Florida Division of Emergency Management	3,446,249	26,843	
Disaster Grant-Public Assistance - FEMA	97.036	Z2833	Florida Division of Emergency Management	53,017,586	1,771,519	
Total program				65,537,935	51,956,152	-
Hazard Mitigation Grant - Generator Project Veterans Park Rec Ctr Arena	97.039	4337-136-R H0234		~~405,592~~	445,082	405,373
Hazard Mitigation Grant - Generator Project Harns Marsh Elementary	97.039	4337-175-R H0304		44,844	1,275,629	1,098,821
Hazard Mitigation Grant - Generator Project Treeline Elementary	97.039	4337-178-R H0306		~~26,843~~	1,365,908	547,751
Hazard Mitigation Grant - Generator Project Manatee Elementary	97.039	4337-179-R H0307		~~8,596,821~~	1,410,683	591,970
Hazard Mitigation Grant - Generator Project Alico Arena	97.039	4337-326-R H0414			1,395,860	644,504
Total Program					5,893,161	3,288,419 -
Emergency Management Performance Grant (EMPG-ARPA - FY22-23)	97.042	G0385	Florida Division of Emergency Management		162,959	162,959
Homeland Security Grant Program	97.067	R0493	Florida Division of Emergency Management		31,300	21,098
Homeland Security Grant Program 2021	97.067	R0498	Florida Division of Emer gency Management		55,000	54,999
Homeland Security Grant Program - Portable X-Ray System	97.067	R0499	Florida Division of Emer gency Management		87,000	86,990
Homeland Security Grant Program	97.067	R0601	Florida Division of Emer gency Management		102,300	15,328
Total program					275,600	178,415 -

Total U.S. Department of Homeland Security								-
U.S. Department of Housing & Urban Development:								
Community Development Block Grant Entitlement Grants Cluster:								
CDBG/Entitlement Grants- Year 28	14.218	B-17-UC-12-0013		71,869,655	2,649,950	55,585,946	10,478	3,327
CDBG/Entitlement Grants- Year 29	14.218	B-18-UC-12-0013			3,008,725		19,425	
CDBG/Entitlement Grants- Year 30	14.218	B-19-UC-12-003			3,047,518		344,726	344,725
COVID-19 CDBG/Entitlement Grants- Year 30	14.218	B-20-UW-12-0013			4,574,937		510,003	
CDBG/Entitlement Grants- Year 31	14.218	B-20-UC-12-0013			3,229,599		191,523	182,752
CDBG/Entitlement Grants Year 32	14.218	B-21-UC-12-0013			3,321,573		1,962,166	
CDBG/Entitlement Grants Year 33	14.218	B-22-UC-12-0014			3,143,590		832,204	
Neighborhood Stabilization Program	14.218	B-08-UN-12-0009			18,243,867		327,085	
Neighborhood Stabilization Program 3	14.218	B-11-UN-12-0009			6,639,174		3,686	
Total Community Development Block Grant Entitlement Grants Cluster					47,858,933		4,201,296	530,804
CDBG -MIT Harden WTE Facility Roof and Equipment	14.228	I0172			2,820,000		88,918	
Emergency Solutions Grant Program -Federal	14.231	E-21-UC-12-0013			275,471		187,224	
COVID-19 Emergency Solutions Grant Program	14.231	E-20-UW-12-0013			2,741,846		3,612	
Emergency Solutions Grant Program - State (FY22-23)	14.231	QPZ02			105,525		58,159	
Emergency Solutions Grant Program - State (FY23-24)	14.231	QPZ02			105,525		12,065	
Emergency Solutions Grant Program - CV2	14.231	QPZ02			941,808		136,857	
Emergency Solutions Grant Program - Federal YR22	14.231	E-22-UC-12-0013			279,213		8,090	
Emergency Solutions Grant Program - Rush	14.231	E-22-UW-12-0013			288,673		93,790	
Total program					4,738,061		499,797	-
Housing Opportunities for Persons with Aids (HOPWA)	14.241	CODUI	SWFL		269,400		170,852	
Housing Opportunities for Persons with Aids (HOPWA)	14.241	CODUI	SWFL		268,400		48,332	
Total program					537,800		219,184	-
Continuum of Care Program (SHP FY20)	14.267	Various			1,997,727		308,975	304,283
Continuum of Care Program (SHP FY21)	14.267				2,046,670		849,730	732,660
Continuum of Care Program (SHP FY22)	14.267	Various			2,012,619		119,388	119,388
Total program					6,057,016		1,278,093	1,156,331
Home Investment Partnership Program - Year 30 (FY22)	14.239	M-21-UC-12-0210			1,049,047		191,709	
Home Investment Partnership Program - Year 28 (FY20)	14.239	M-19-UC-12-0210			938,598		170,246	
Home Investment Partnership Program - Year 29 (FY21)	14.239	M-20-UC-12-0210			1,040,306		571,672	
Home Investment Partnership Program - ARP	14.239	M-21-UP-12-0210			3,802,106		718,238	
Total program					6,830,057		1,651,865	-
Homeless Management Information System (HMIS)	14.261	FL0760H4D031800			84,900		55,917	
Total U.S. Department of Housing & Urban Development					68,926,767		7,995,070	1,687,135
U.S. Department of Interior:								
U.S. Fish and Wildlife Service:								
Endangered Species Recovery Implementation - USFW Pawpaw Habitat Mgmt Buttonw Pres.	15.657	F20AP11485-02			20,000		13,597	
Total U.S Department of Interior					20,000		13,597	-
U.S. Department of Justice:								
State Criminal Alien Assistance Program (SCAAP)	16.606	15PBJA-20-RR-00289-SCAA			146,384		146,384	
State Criminal Alien Assistance Program (SCAAP)	16.606	15PBJA-21-RR-05124-SCAA			118,856		4,280	
Total program					265,240		150,664	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01377-JAGX			103,572		7,695	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02223-JAGX			108,043		108,043	
Edward Byrne Memorial Justice Assistance Grant Program	16.738				33,770		33,770	
Total program					245,385		149,508	-
Paul Coverdell Forensic Sciences Improvement Grant Program FY22	16.742	15PBJA-22-GG-01948-COVE			1,757		1,757	
Equitable Sharing Program : Asset Forfeiture Program	16.922	None			312,052		312,052	
Total U.S. Department of Justice					824,434		613,980	-
U.S. Department of Transportation/ non-FAA:								
Federal Transit Administration:								
Federal Transit Cluster:								
Federal Transit Formula Grants - USC 5307 FY15	20.507	FL 2016-047			5,787,589		127,030	
Federal Transit Formula Grants - USC 5307 FY16	20.507	FL-2016-043-00			5,731,365		101,820	
Federal Transit Formula Grants - USC 5307 FY17	20.507	FL-2017-075-01			6,107,871		771,842	
Federal Transit Formula Grants - USC 5307 FY18	20.507	FL-2018-079-00			6,257,157		1,461,446	

Federal Transit Formula Grants - USC 5307 FY19	20.507	FL 2019-080-00		6,459,611	168,129	
Federal Transit Formula Grants - USC 5307 FY19 (Flex)	20.507	FL 2019-069-00		1,500,000	1,069,416	
Federal Transit Formula Grants - USC 5307 (Flex Funds)	20.507	FL 2021-002		2,639,258	69,629	
Federal Transit Formula Grants - USC 5307 (CARES)	20.507	FL-2020-067-00		19,156,442	1,156,039	
Federal Transit Formula Grants - USC 5307 FY20	20.507	FL 2021-059		6,768,285	2,698,988	
Federal Transit Formula Grants - USC 5307 (American Rescue Plan)	20.507	FL 2022-001		12,774,744	4,233,750	
Federal Transit Formula Grants: FFY21 5307 Capital and Operating; 5307 Flex Funds and 5339 Capital - Super Grant	20.507	FL 2022-004-01		6,734,770	990,379	
Total Program				79,917,092	12,848,468	
Federal Transit Formula Grants - USC 5339 Bus & Bus Facilities Formula	20.526	FL-2020-060		3,000,000	340,368	
Total Federal Transit Cluster				82,917,092	13,188,836	-
Transit Services Programs Cluster:						
Enhanced Mobility of Seniors and Individuals with Disabilities - USC 5310 (Mobility Management)	20.513	448461-1-94-01 G1V47		180,000	87,135	
Enhanced Mobility of Seniors and Individuals with Disabilities - USC 5310 (Oper/Trips)	20.513	447506-1-84-01 G1V36		164,782	2,487	
Enhanced Mobility of Seniors and Individuals with Disabilities - USC 5310 (Mobility Management)	20.513	G2A59		180,000	20,388	
Total Transit Services Programs Cluster				524,782	110,010	-
Formula Grants for Rural Areas and Tribal Transit Program - USC 5311	20.509	410125-1-84-39 G1V48	Florida Department of Transportation	358,467	14,341	
Formula Grants for Rural Areas and Tribal Transit Program - USC 5311 (CARES)	20.509	447488-1-84-01 G1M56	Florida Department of Transportation	849,324	131,325	
Total Program				1,207,791	145,666	-
Highway Planning and Construction:						
Highway Planning and Construction - Enhancement & Ops of Lee TOC	20.205	429960-1-88-01	Florida Department of Transportation	130,500	5,178	
Highway Planning and Construction - NEW SIGNAL ESTERO AND CRESCENT	20.205	444923-2-58-01	Florida Department of Transportation	693,000	325,102	
Highway Planning and Construction - Able Canal Pathway	20.205	435351-2-38/58/68-01	Florida Department of Transportation	4,912,650	25,000	
Highway Planning and Construction - LAP-Hurricane Irma Mast Arms	20.205	G1Z00		497,562	134,098	
Total Highway Planning and Construction				6,233,712	489,378	-
Total U.S. Department of Transportation/ non-FAA				90,883,377	13,933,890	-
U.S. Department of Transportation/FAA:						
Federal Aviation Administration:						
` COVID-19 Airport Improvement Program (CARES Act - RSW)	20.106	3-12-0135-055-2020	Administration	36,603,212	16,490,696	
COVID-19 Airport Improvement Program (CARES Act - FMY)	20.106	3-12-0027-022-2020	Administration	157,000	45,103	
Airport Improvement Program - ACRGP- FMY (CRRSA Act)	20.106	3-12-0027-023-2021	Administration	91,162	70,844	
Airport Improvement Program - Update Airport Master Plan Study	20.106	3-12-0135-058-2021	Administration	1,999,776	395,576	
Airport Improvement Program - 3,000 Gallon Aircraft Rescue & Fire Fighting Vehicle	20.106	3-12-0135-059-2021	Administration	915,368	915,368	
Airport Improvement Program - ACRGP- RSW (CRRSA Act)	20.106	3-12-0135-060-2021	Administration	9,860,786	2,281,028	
Airport Improvement Program - Airport Rescue Grant for FMY (ARPA Act)	20.106	3-12-0027-024-2022	Administration	148,000	148,000	
Airport Improvement Program - CRRSA - RSW (ARPA Act)	20.106	3-12-0135-062-2022	Administration	33,178,988	5,344,762	
Airport Improvement Program - Concessions Rent Relief Airport Rescue: RSW	20.106	3-12-0135-063-2022	Administration	4,321,194	4,321,194	
Airport Improvement Program - Construction of Taxilanes project at Page Field	20.106	3-12-0027-026-2023	Administration	4,210,642	492,780	
Airport Improvement Program - Rehabilitate Access Road / Rehabilitate Perimeter Road	20.106	3-12-0135-064-2023	Administration	8,732,164	2,371,522	
Total U.S. Department of Transportation/FAA				100,218,292	32,876,873	-
U.S. Department of Treasury:						
COVID-19: Emergency Rental Assistance Program (ERA2)	21.023	ERAE0283		18,410,960	2,510,333	
Total Program				18,410,960	2,510,333	-
Coronavirus State and Local Fiscal Recovery Funds - Florida Job Growth Infrastructure Grant	21.027	G0102		4,239,644	4,239,644	
Coronavirus State and Local Fiscal Recovery Funds: American Rescue Plan	21.027	Not Available Yet		149,675,549	65,194,476	
Coronavirus State and Local Fiscal Recovery Funds: Lee County - 2022 Hurricane Ian and Nicole Emergency Recovery Proj	21.027	23LE2		5,000,000	3,521,033	
Total Program				158,915,193	72,955,153	-
Asset Forfeiture Program	21.016	None		13,650	13,650	
Asset Forfeiture Program	21.016	None		151,008	151,008	
Total Program				164,658	164,658	-
Total U.S. Department of the Treasury				177,490,811	75,630,144	-
Total Expenditures of Federal Awards:				**537,193,949**	**201,129,160**	**1,737,263**
Florida Department of Community Affairs:						
Florida Forever Act - FCT Wild Turkey Strand 2020	52.002	05-CT-E5-04-F4-A1-031		2,529,995	21,921	
Total Florida Department of Community Affairs				2,529,995	21,921	-
Florida Department of Children and Families:						

Economic Self Sufficiency Program:					
Homeless Challenge Grant FY22-23	60.014	QPZ02	148,500	71,094	
Homeless Challenge Grant FY22-23 - Staffing Grant	60.014	QPZ02	107,143	80,357	80,357
Homeless Challenge Grant FY23-24	60.014	QPZ02	148,500	30,053	
Total Program			404,143	181,504	80,357
Criminal Justice, Mental Health, & Substance Abuse Reinvestment Grant	60.115	LHZ97	975,000	330,789	
Total Florida Department of Children and Families			1,379,143	512,293	80,357
Florida Department of Commerce:					
Division of Strategic Business Development:					
Economic Development Partnership - Perfect Game BCS: 6/2/23- 7/27/23	40.040	282481440	24,500	24,500	
Total Florida Department of Commerce			24,500	24,500	-
Florida Housing Finance Corporation:					
SHIP YR26 (State FY20-21)	40.901	LB030	-	2,989	
SHIP YR27 (State FY21-22)	40.901	LB031	5,223,737	876,153	
SHIP / HHRP	40.901	LBIAN	18,913,920	963,648	
SHIP YR28 (State FY22-23)	40.901	LB032	4,689,679	551,567	
Total Florida Housing Finance Corporation			28,827,336	2,394,357	-
Florida Executive Office of the Governor:					
Emergency Management Programs					
EMPA Base Grant FY22-23	31.063	A0251	105,806	69,293	
EMPA Base Grant FY23-24	31.063	XXXXX	105,806	32,511	
Local Emergency Management and Mitigation Initiatives: EOC Expansion State Appropriation	31.064	F0097	13,707,160	705,674	
Urban Search and Rescue Sustainment Program: USAR State Appropriation Grant	31.078	T0231	1,113,000	205,228	
Total Florida Executive Office of the Governor			15,031,772	1,012,706	-
Florida Department of Environmental Protection:					
Coastal Aquatic Managed Areas					
Beach Management Funding Assistance Program - Lovers Key Beach 2	37.003	19LE1	260,000	33,450	
Beach Management Funding Assistance Program - Lee Co. Shore Protection - Gasparilla Island	37.003	20LE1	3,101,764	6,468	
Beach Management Funding Assistance Program - Blind Pass Monitoring	37.003	20LE2	182,096	2,485	
Beach Management Funding Assistance Program - Blind Pass Implementation	37.003	22LE5	1,450,852	7,239	
Beach Management Funding Assistance Program - Bonita Beach Renourishment	37.003	22LE1	946,090	5,265	
Total Program			5,940,802	54,907	-
Water Restoration Assistance					
Statewide Water Quality Restoration Project - Powell Creek Bypass Canal	37.039	LPQ0011	774,000	8,925	
Statewide Water Quality Restoration Project - Artesian Well Abandmnt Proj	37.039	LPA0112	80,000	19,885	
Statewide Water Quality Restoration Project - Biological Debris Removal within Lee County	37.039	RT010	299,000	35,857	
Small Community Wastewater Facility Grant	37.075	SG068	198,576	198,576	
Hurricane Stormwater and Wastewater Assistance Grant: Emergency Lift Station 5507 Replacement	37.114	HA004	1,900,000	432,012	
Hurricane Stormwater and Wastewater Assistance Grant	37.114	HA033	729,442	92,004	
Total Program			3,981,018	787,259	-
Division Of Water Policy and Ecosystem Restoration					
Innovative Technologies: FDEP Water quality and treatment research C-43 Mesocosm Site Reservoir	37.103	INV10	180,000	9,859	
Office of Resilience and Coastal Protection					
Resilient Florida Programs: Vulnerability Assessment- FDEP Lee County	37.068	22PLN83	383,000	17,749	
Total Florida Department of Environmental Protection			10,484,821	869,774	-
Florida Department of Health:					
Bureau of Emergency Management Services:					
County Grant Award - EMS FY22-23	64.005	C1036	63,156	45,472	
County Grant Award - EMS FY21-22	64.005	C9036	60,713	16,672	
Total Florida Department of Health			123,869	62,144	-
Florida Department of Management Services:					
Local Government Cybersecurity Grant	72.009	DSM 22-23-204	400,000	400,000	
Local Government Cybersecurity Grant	72.009	DSM 22-23-241	309,372	309,372	
Local Government Cybersecurity Grant	72.009	DMS-22/23-413	55,067	55,067	
Local Government Cybersecurity Grant	72.009	DMS-22/23-274	112,674	112,674	

Total Florida Department of Management Services				877,112	877,112	-
Florida Department of State:						
Division of Library and Information Services:						
State Aid to Libraries Grant (FY22-23)	45.030	23-ST-24		544,603	544,603	
Total Florida Department of State				544,603	544,603	-
Florida Department of Transportation/non-FAA:						
Florida Commission for the Transportation Disadvantaged Trip and Equipment	55.001	G2A20		1,118,410	779,919	
Florida Commission for the Transportation Disadvantaged Trip and Equipment	55.001	G2K60		1,147,387	185,801	
Total Program				2,265,797	965,720	-
Public Transit Block Grant Program	55.010	G2G92		2,362,357	2,148,270	
Public Transit Block Grant Program	55.010	G2689		2,290,005	82,504	
Total Program				4,652,362	2,230,774	-
Public Transit Service Development Program - Downtown Trolley Service	55.012	G1G04		1,212,725	153,809	
Public Transit Service Development Program	55.012	G2C02		260,211	55,877	
Total Program				1,472,936	209,686	-
Transit Corridor Development Program - FY22-23	55.013	G2A58		716,020	396,900	
Transit Corridor Development Program - FY23-24	55.013	G2H58		2,734,268	702,649	
Total Program				3,450,288	1,099,549	-
Transportation Regional Incentive Prg (TRIP) - Corkscrew from Ben Hill Griffin to Bella	55.026	446337-1-54-01	Florida Department of Transportation	2,651,966	1,066,558	
Total Florida Department of Transportation/non-FAA				14,493,349	5,572,287	-
Florida Department of Transportation/FAA:						
Aviation Grant Programs - RSW Air Traffic Control Tower and Terminal Radar Approach Control	55.004	G1035 420652-1-94-04		11,573,891	1,880,893	
Aviation Grant Programs - South Quadrant Hangars and Ramp	55.004	G1C72 446314-1-94-01		3,025,000	2,030,147	
Aviation Grant Programs - RSW Terminal Expansion	55.004	G1C87 441981-1-94-01		23,753,166	1,522,046	
Aviation Grant Programs - RSW Terminal Expansion	55.004	G1C87 441981-1-94-02		11,060,990	1,623,490	
Aviation Grant Programs - RSW Aircraft Rescue and Fire Fighting (ARFF) Crash Vehicle # 906	55.004	G1C87 429511-1-91-04		306,250	107,997	
Aviation Grant Programs - Airside Payment Rehabilitation	55.004	G1K77 431367-1-94-02		1,394,294	1,294,294	
Aviation Grant Programs - RSW Landside Pavement Rehabilitation	55.004	G2H05 430979-1-94-02		1,455,351	298,088	
Total Florida Department of Transportation/FAA				52,568,942	8,756,955	-
Total Expenditures of State Financial Assistance:				**126,885,442**	**20,648,652**	**80,357**
			Total Grants:	**664,079,391**	**221,777,812**	**1,817,620**

LEE COUNTY, FLORIDA

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

Year Ended September 30, 2023

(1) Basis of Presentation

The Board of County Commissioners (the Board) is the legislative body for Lee County, Florida having the responsibility of budgeting and providing all the funding used by the various County departments and the separate Constitutional Officers, with the exception of fees collected by the Clerk of Circuit Court, Property Appraiser, and Tax Collector. Under the direction of the Clerk of Circuit Court, the Finance & Records Department maintains the accounting system for the Board's operations. The other Constitutional Officers maintain their own accounting systems. For purposes of this report the operations of the County as a whole, including all Constitutional Officers, have been presented. In addition to the divisions of the Board and the Constitutional Officers, the Lee County Port Authority, a blended component unit, is included.

The accompanying schedule of expenditures of federal awards and state financial assistance (Schedule) summarizes the expenditures incurred under all federal programs and state projects by Lee County, Florida for the fiscal year ended September 30, 2023, which are recognized on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), Section 215.97, Florida Statutes, and *Rules of the Auditor General*, Chapter 10.550. For purposes of this Schedule, federal programs and state projects include all grants and contracts entered into directly between the County and agencies and departments of the federal or state government. Federal programs or state projects passed through other government agencies, if any, are also included in the Schedule. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, change in net position, or cash flows of the County.

(2) Indirect Costs

The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. The County provides certain services and facilities to federal and state programs such as disbursing, banking, general data processing, office space, and furnishings. Costs for these services are allocated based on certain pre-approved allocation criteria. The County allocated costs for these indirect services to the Department of Housing and Urban Development's CDBG Grant (Assistance Listing #14.218) in the amount of $28,371.

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

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued?	Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	Yes
• Significant deficiency(s) identified?	None noted

Noncompliance material to the financial statements noted?	No

Federal Awards Section

Internal control over major programs:

• Material weakness(s) identified?	No
• Significant deficiency(s) identified?	Yes

Type of auditors' report issued on compliance for major programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.923	Emergency Watershed Protection Program
21.027	COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)
97.039	Hazard Mitigation Grant Program

Dollar threshold used to distinguish between type A and type B programs:	$3,000,000
Auditee qualified as low-risk auditee?	Yes

SECTION I – SUMMARY OF AUDITORS' RESULTS (CONTINUED)

State Financial Assistance Section

Internal control over major projects:

- Material weakness(s) identified? No
- Significant deficiency(s) identified? None noted

Type of auditors' report issued on compliance for major projects? Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557? No

Identification of major State projects:

State CSFA	Name of State Program or Cluster
40.901	State Housing Initiatives Partnership Program (SHIP)
55.001	Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program
55.004	Aviation Grant Programs
55.013	Transit Corridor Development Program
72.009	Local Government Cybersecurity Grant Program

Dollar threshold used to distinguish between type A State projects $750,000

SECTION II – FINANCIAL STATEMENT FINDINGS

2023 – 001 Asset Disposal

Type of Finding: Material Weakness in Internal Control over Financial Reporting.

Condition: The County recorded a disposal of a capital asset during 2023 that was later determined during audit procedures to still be in service. The County recorded an audit adjustment to correct the capital asset balance on the financial statements.

Criteria of 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. The County's management is responsible for establishing and maintaining internal controls for year-end financial reporting and the proper recording of all transactions. Proper recording and disposal of capital assets is a requirement for accurate financial reporting.

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

Effect: The County recorded a net audit adjustment in the amount of $1,274,528 to correct financial statements at year-end and reinstate the asset.

Cause: The County's internal controls did not prevent or detect the error.

Repeated Finding: No

Recommendation: We understand the error was a result of human error in the internal control process, so we recommend that management review internal controls over capital asset inventory and the related transactions to strengthen documentation and communication between departments, so that significant capital asset transactions that occur during the year are reviewed and approved at year-end as well.

View Responsible Official and Planned Corrective Actions: Management concurs with the finding. The number of assets disposed of during the 2023 fiscal year was significantly higher than the prior year due to the impact of Hurricane Ian. A review of all material disposals processed during the fiscal year was completed with no further findings noted. Management deems this an isolated instance due to the nature and volume of disposals processed during the fiscal year caused by the hurricane.

Effective fiscal year 2024, Management will implement the following controls:

- On an annual basis, members of the accounting team will review disposals with an original cost equal to or greater than $100,000.
- On an annual basis, a report of all disposals processed during the fiscal year will be sent to County departments for review.

SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

2023-002 Payroll Expenditures

Federal Agency: U.S Department of Treasury

Federal Program Name: Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Identification Number and Year: SLFRP3404 - 2021

Award Period: March 3, 2021 through December 31, 2024

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matter

Criteria:
Compliance: 2 CFR 200.302(b)(3) states that records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

2 CFR 200.403 states that costs must be adequately documented.

SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS (CONTINUED)

Controls: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the ”Internal Control Integrated Framework,” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition:
The County did not maintain documentation supporting certain payroll expenditures charged to the grant.

Questioned Costs:
Under $25,000.

Context:
For four of the forty employee pays selected for testing the underlying payroll records did not support the amount charged to the grant.

Cause:
Payroll documentation supporting the wage amounts charged to the grant program was not properly maintained by the County.

Effect:
Failure to maintain supporting documentation to the employee payroll charged to grant programs may result in unallowed cost and activities being charged to the grant, causing noncompliance with the Federal compliance requirements.

Repeat Finding:
No

Recommendation:
We recommend the County establish internal control procedures to ensure that all amounts charged to grant programs for employee payroll costs be reconciled to the specific employee payroll records and that supporting documentation be maintained throughout the grant award period and beyond.

Views of responsible officials:
Management concurs with the finding. There were minimal variances in the number of employees tested and the County believes the wage report discrepancies are isolated due to the complexity of the EMS salary structure. The County claimed $26,038,852 of the $37,618,256 total eligible expenses available.

Effective fiscal year 2024, Management will implement the following corrective action:

The County will create a process to ensure the payroll wage reports generated by Human Resources agrees to support documentation.

SECTION IV – FINDINGS AND QUESTIONED COSTS – MAJOR STATE PROJECTS

Our audit did not disclose any matters required to be reported in accordance with Rule 10.554(1)(l)4, Rules of the Florida Auditor General.

LEE COUNTY
SOUTHWEST FLORIDA
BOARD OF COUNTY COMMISSIONERS

Kevin Ruane
District One

Cecil L. Pendergrass
District Two

Ray Sandelli
District Three

Brian Hamman
District Four

Michael Greenwell
District Five

David Harner
County Manager

Richard Wesch
County Attorney

Donna Marie Collins
County Hearing Examiner

LEE COUNTY, FLORIDA
CORRECTIVE ACTION PLAN
YEAR ENDED SEPTEMBER 30, 2023

Lee 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 AND QUESTIONED COSTS – FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESS

2023-001 Material Weakness in Internal Control over Financial Reporting.

Recommendation: We understand the error was a result of human error in the internal control process, so we recommend that management review internal controls over capital asset inventory and the related transactions to strengthen documentation and communication between departments, so that significant capital asset transactions that occur during the year are reviewed and approved at year-end as well.

Views of responsible officials: Management concurs with the finding.
The number of assets disposed of during the 2023 fiscal year was significantly higher than the prior year due to the impact of Hurricane Ian. A review of all material disposals processed during the fiscal year was completed with no further findings noted. Management deems this an isolated instance due to the nature and volume of disposals processed during the fiscal year caused by the hurricane.

Action planned/taken in response to finding: Effective fiscal year 2024, Management will implement the following controls:

- On an annual basis, members of the accounting team will review disposals with an original cost equal to or greater than $100,000.
- On an annual basis, a report of all disposals processed during the fiscal year will be sent to County departments for review.

Name of the contact person responsible for corrective action plan: Pete Winton

Planned completion date for corrective action plan: The above action plan will be implemented in fiscal year 2024.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

SIGNIFICANT DEFICIENCY

2023-002 Significant Deficiency in Internal Control over Compliance, Other Matters

Recommendation: We recommend the County establish internal control procedures to ensure that all amounts charged to grant programs for employee payroll costs be reconciled to the specific employee payroll records and that supporting documentation be maintained throughout the grant award period and beyond.

Views of responsible officials: Management concurs with the finding. There were minimal variances in the number of employees tested and the County believes the wage report discrepancies are isolated due to the complexity of the EMS salary structure. The County claimed $26,038,852 of the $37,618,256 total eligible expenses available.

Action planned/taken in response to finding: Effective fiscal year 2024, Management will implement the following corrective action:
The County will create a process to ensure the payroll wage reports generated by Human Resources agrees to support documentation.

Name of the contact person responsible for corrective action plan: Pete Winton

Planned completion date for corrective action plan: The above action plan will be implemented in fiscal year 2024.

LEE COUNTY
SOUTHWEST FLORIDA
BOARD OF COUNTY COMMISSIONERS

Kevin Ruane
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County Manager

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County Attorney

Donna Marie Collins
County Hearing Examiner

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

Lee County, Florida 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 prior year.

FINDINGS — *FINDINGS AND QUESTIONED COSTS*

No Findings

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE PASSENGER FACILITY CHARGE AUDIT GUIDE

Honorable Board of County Commissioners
Lee County, Florida
and
Honorable Board of Port Commissioners
Lee County Port Authority

Report on Compliance for the Passenger Facility Charge Program

Opinion on Compliance for the Passenger Facility Charge Program

We have audited Lee County Port Authority's (the Port), a blended component unit of Lee County, Florida, compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), that could have a direct and material effect on the Port's Passenger Facility Charge Program for the year ended September 30, 2023.

In our opinion, the Port complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the Port's Passenger Facility Charge Program for the year ended September 30, 2023.

Basis for Opinion on the Passenger Facility Charge Program

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; and the audit requirements of the Guide. Our responsibilities under those standards and the Guide are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Port 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 the Passenger Facility Charge Program. Our audit does not provide a legal determination of the Port's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to its Passenger Facility Charge Program.

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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 Port'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*, and the Guide 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 Port's compliance with the requirements of the Guide.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide 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 Port'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 Port'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 Guide, but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the Passenger Facility Charge Program 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 the Passenger Facility Charge Program 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 the Passenger Facility Charge Program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Honorable Board of County Commissioners
Lee County, Florida
and
Honorable Board of Port Commissioners
Lee County Port Authority

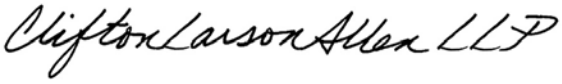
Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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 Guide. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Passenger Facility Charges Collected and Expended

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lee County, Florida 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. We have issued our report thereon, dated March 18, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of passenger facility charges collected and expended for the year ended September 30, 2023 is presented for purposes of additional analysis as required by the Guide and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of passenger facility charges collected and expended is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Fort Myers, Florida
March 18, 2024

Lee County, Florida
Schedule of Passenger Facility Charges (PFCs) Collected and Expended (As Reported to FAA)
for the year ended September 30, 2023

Collections	Quarter Ended December 31, 2022	Quarter Ended March 31, 2023	Quarter Ended June 30, 2023	Quarter Ended September 30, 2023	Year Ended September 30, 2023	Cumulative Totals as of September 30, 2022	Cumulative Totals as of September 30, 2023
PFCs Collected	$ 3,944,758	$ 5,257,513	$ 4,517,971	$ 4,112,949	$ 17,833,191	$ 374,058,683	$ 391,891,874
Interest Earned	$ 202,555	$ 274,661	$ 339,309	$ 381,310	$ 1,197,835	$ 12,652,670	$ 13,850,505
Total Collection	$ 4,147,313	$ 5,532,174	$ 4,857,280	$ 4,494,259	$ 19,031,026	$ 386,711,353	$ 405,742,379
EXPENDITURES ON APPROVED PFC PROJECTS INCLUDED IN							
Application No. 1 92-01-C-00-RSW	$ -	$ -	$ -	$ -	$ -	$ 12,686,294	$ 12,686,294
Application No. 2 93-02-U-00-RSW	$ -	$ -	$ -	$ -	$ -	$ 9,711,378	$ 9,711,378
Application No. 3 94-03-U-00-RSW	$ -	$ -	$ -	$ -	$ -	$ 76,441,067	$ 76,441,067
Application No. 4 97-04-U-00-RSW	$ -	$ -	$ -	$ -	$ -	$ 3,605,139	$ 3,605,139
Application No. 5 03-05-C-00-RSW	$ 673,934	$ 898,208	$ 771,863	$ 702,668	$ 3,046,673	$ 103,192,999	$ 106,239,672
Application No. 6 06-06-C-00-RSW	$ -	$ -	$ -	$ -	$ -	$ 4,838,689	$ 4,838,689
Application No. 7 10-07-C-00-RSW	$ -	$ -	$ 100,057	$ 39,083	$ 139,140	$ 48,555,457	$ 48,694,597
Application No. 8 13-08-C-00-RSW	$ -	$ -	$ -	$ 983,031	$ 983,031	$ 44,539,868	$ 45,522,899
Application No. 9 18-09-C-00-RSW	$ -	$ -	$ -	$ (5,766)	$ (5,766)	$ 42,898,147	$ 42,892,381
Application No. 10 19-10-C-00-RSW	$ 1,957,712	$ 1,957,712	$ 1,957,713	$ 2,128,784	$ 8,001,921	$ 16,131,899	$ 24,133,820
Total Expenditures	$ 2,631,646	$ 2,855,920	$ 2,829,633	$ 3,847,800	$ 12,164,999	$ 362,600,937	$ 374,765,936

LEE COUNTY, FLORIDA

Notes to Schedule of Passenger Facility
Charges Collected and Expended

Year ended September 30, 2023

(1) General

The accompanying schedule of passenger facility charges collected and expended presents the activity of all passenger facility charges of Lee County, Florida.

(2) Basis of Accounting

The accompanying schedule of passenger facility charges collected and expended is presented using the cash basis of accounting.

LEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
PASSENGER FACILITY CHARGE PROGRAM
YEAR ENDED SEPTEMBER 30, 2023

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued?	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(s) identified?	None Reported
Noncompliance material to the financial statements noted?	No

Passenger Facility Charge Program Section

Internal control over major programs:	
• Material weakness(s) identified?	No
• Significant deficiency(s) identified that are not considered to be material weaknesses?	None Reported
Type of auditors' report issued on compliance for the passenger facility charge program?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Passenger Facility Charge Audit Guide for Public Agencies?	No

This schedule encompasses the Lee County Port Authority only, and is provided as required by the Passenger Facility Charge Program.

SECTION II – FINANCIAL STATEMENT FINDINGS

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no such findings required to be reported.

SECTION III – FINDINGS AND QUESTIONED COSTS – PASSENGER FACILITY CHARGE PROGRAM

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of the Passenger Facility Charge Program, as required to be reported by the Passenger Facility Charge Audit Guide.

There were no such findings required to be reported.

LEE COUNTY, FLORIDA
SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS
PASSENGER FACILITY CHARGE PROGRAM
YEAR ENDED SEPTEMBER 30, 2023

Prior Year Findings

There were no prior year audit findings reported.



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MANAGEMENT LETTER

Honorable Board of County Commissioners
Lee County, Florida

Report on the Financial Statements

We have audited the financial statements of Lee County, Florida (the County), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 18, 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 of Federal Awards* (Uniform Guidance); 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;* 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 March 18, 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 such findings 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. This information has been included in the notes to the basic financial statements.

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Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10556(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.

Specific Information

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

a. The total number of district employees compensated in the last pay period of the district's fiscal year as 397.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 15.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $33,346,202.

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $15,641,907.

e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:

    a. FMY Fuel Farm Expansion– Total expenditures of $169,210.50

    b. RSW GSE Overflow Lot – Total expenditures of $187,989.56

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as $2,632,000.

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

Fort Myers, Florida
March 18, 2024

CliftonLarsonAllen LLP
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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Board of County Commissioners
Lee County, Florida

We have examined Lee County, Florida's (County) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds and Section 365.172(10), 365.173(2)(d), Florida Statutes, regarding emergency communications number and E911 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 Section 365.172(10), 365.173(2)(d), Florida Statutes, regarding emergency communications number E911 system fund during the year ended September 30, 2023.

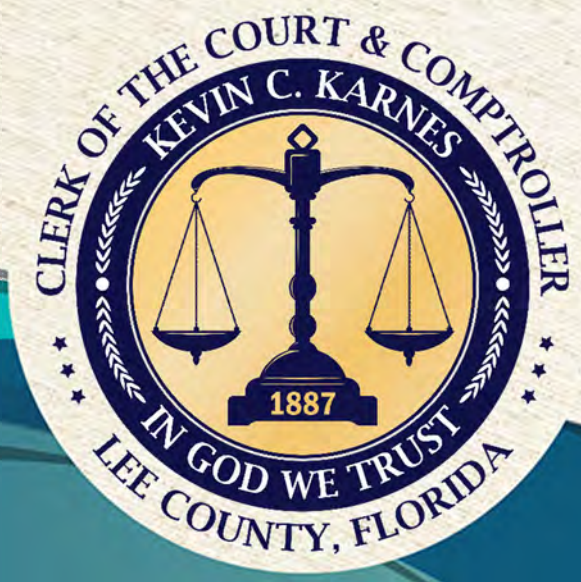
This report is intended solely for the information and use of the County and the Auditor General, State of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Myers, Florida
March 18, 2024

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Clerk of Circuit Court

Lee County, Florida

Financial Statements

September 30, 2023

Clerk of Circuit Court
Lee County, Florida

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INDEPENDENT AUDITORS' REPORT

Honorable Kevin Karnes
Clerk of Circuit Court
Lee 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 Lee County, Florida, Clerk of 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, Court Fees Fund, Public Records Modernization Fund, and Child Support Enforcement 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 Matters

As discussed in Note I, 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 the changes in financial position of only that portion of each major fund and the aggregate remaining fund information of Lee 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 Lee County, Florida as of September 30, 2023, or 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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As discussed in Note X to the to the financial statements, effective October 1, 2022, the Clerk adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard requires governments to recognize a right-to-use subscription-based information technology arrangement asset and corresponding subscription-based information technology arrangement liability for all arrangements with terms greater than 12 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 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.

Honorable Kevin Karnes
Clerk of Circuit Court
Lee County, Florida

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 custodial fund 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 custodial fund 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 December 19, 2023, 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

CliftonLarsonAllen LLP

Fort Myers, Florida
December 19, 2023

Financial Statements

CLERK OF CIRCUIT COURT
Lee County, Florida
BALANCE SHEET
As of September 30, 2023

	General	Court Fees	Public Records Modernization	Child Support Enforcement	Total Governmental Funds
ASSETS					
Cash, cash equivalents and investments	$ 5,668,985	$ 11,697,002	$ 8,776,750	$ 4,316,517	$ 30,459,254
Accounts receivable	7,942	44,012	-	-	51,954
Due from other governments	28,736	92,879	-	17,621	139,236
Due from Board of County Commissioners	61,021	340	-	-	61,361
Inventory	40,511	-	-	-	40,511
Total assets	5,807,195	11,834,233	8,776,750	4,334,138	30,752,316
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	437,060	196,418	4,770	71,693	709,941
Accrued liabilities	380,245	285,652	56,302	-	722,199
Due to other governments	517,484	2,788,588	31,175	-	3,337,247
Due to Board of County Commissioners	261,957	-	-	-	261,957
Deposits	4,115,065	8,563,021	-	-	12,678,086
Unearned revenue	95,384	-	-	-	95,384
Other	-	554	-	-	554
Total liabilities	5,807,195	11,834,233	92,247	71,693	17,805,368
Deferred Inflows of Resources:					
Unavailable revenue due from State	-	69,876	-	-	69,876
Total deferred inflows of resources	-	69,876	-	-	69,876
Fund Balances:					
Nonspendable	40,511	-	-	-	40,511
Restricted	-	-	8,684,503	-	8,684,503
Committed	-	-	-	4,262,445	4,262,445
Unassigned	(40,511)	(69,876)	-	-	(110,387)
Total fund balances	-	(69,876)	8,684,503	4,262,445	12,877,072
Total liabilities, deferred inflows of resources, and fund balance	$ 5,807,195	$ 11,834,233	$ 8,776,750	$ 4,334,138	$ 30,682,440

The notes to the financial statements are an integral part of this statement.

CLERK OF CIRCUIT COURT
Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the year ended September 30, 2023

	General	Court Fees	Public Records Modernization	Child Support Enforcement	Total Governmental Funds
REVENUES					
Intergovernmental	$ 1,255,430	$ 940,822	$ -	$ 165,999	$ 2,362,251
Charges for services	6,446,597	15,158,358	2,507,467	172	24,112,594
Interest	651,965	625,843	668,632	278,612	2,225,052
Miscellaneous	356,166	6,068	-	-	362,234
Total revenues	8,710,158	16,731,091	3,176,099	444,783	29,062,131
EXPENDITURES					
General government					
Personal services	18,553,103	12,220,807	2,739,411	-	33,513,321
Operating	2,295,369	372,572	1,670,164	122,749	4,460,854
Debt Service					
Principal retirement	-	-	250,301	118,685	368,986
Interest and fiscal charges	-	-	-	1,314	1,314
Capital outlay	51,692	-	2,992,327	-	3,044,019
Total expenditures	20,900,164	12,593,379	7,652,203	242,748	41,388,494
Excess (deficiency) of revenues over (under) expenditures	(12,190,006)	4,137,712	(4,476,104)	202,035	(12,326,363)
OTHER FINANCING SOURCES (USES)					
Board of County Commissioners appropriations	12,290,576	-	-	-	12,290,576
Distribution of excess fees and appropriations to BoCC and other governmental units	(100,570)	(4,207,588)	-	-	(4,308,158)
Subscription based IT arrangement issuance	-	-	1,255,285	-	1,255,285
Total other financing sources (uses)	12,190,006	(4,207,588)	1,255,285	-	9,237,703
Net change in fund balances	-	(69,876)	(3,220,819)	202,035	(3,088,660)
Fund balances - beginning	-	-	11,905,322	4,060,410	15,965,732
Fund balances - ending	$ -	$ (69,876)	$ 8,684,503	$ 4,262,445	$ 12,877,072

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (Non-GAAP) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ 775,000	$ 1,257,000	$ 1,255,430	$ (1,570)
Charges for services	4,687,794	6,507,794	6,480,279	(27,515)
Interest	26,373	631,573	651,965	20,392
Miscellaneous	324,900	324,900	356,166	31,266
Total revenues	5,814,067	8,721,267	8,743,840	22,573
EXPENDITURES				
General government				
Personal services	16,055,477	18,276,277	18,553,103	(276,826)
Operating	2,019,666	2,666,066	2,295,369	370,697
Capital outlay	29,500	69,500	51,692	17,808
Total expenditures	18,104,643	21,011,843	20,900,164	111,679
Excess (deficiency) of revenues over (under) expenditures	(12,290,576)	(12,290,576)	(12,156,324)	134,252
OTHER FINANCING SOURCES (USES)				
Board of County Commissioners appropriations	12,290,576	12,290,576	12,290,576	-
Distribution of excess fess and appropriations to the Board of County Commissioners	-	-	(100,570)	(100,570)
Total other financing sources (uses)	12,290,576	12,290,576	12,190,006	(100,570)
Net change in fund balance	-	-	33,682	(33,682)
Fund balances - beginning	-	-	61,702	(61,702)
Fund balances - ending	$ -	$ -	$ 95,384	$ (95,384)

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (Non-GAAP) AND ACTUAL
COURT FEES
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ 779,300	$ 779,300	$ 1,010,698	$ 231,398
Charges for services	13,536,356	13,536,356	15,158,358	1,622,002
Interest	10,542	10,542	625,843	615,301
Miscellaneous	1,109	1,109	6,068	4,959
Total revenues	14,327,307	14,327,307	16,800,967	2,473,660
EXPENDITURES				
General government				
Personal services	11,866,251	11,860,658	12,220,807	(360,149)
Operating	816,359	822,009	372,572	449,437
Total expenditures	12,682,610	12,682,667	12,593,379	89,288
Excess (deficiency) of revenues over (under) expenditures	1,644,697	1,644,640	4,207,588	2,562,948
OTHER FINANCING SOURCES (USES)				
Distribution of excess fees and appropriations to other governmental units	(1,644,697)	(1,644,640)	(4,207,588)	(2,562,948)
Total other financing sources (uses)	(1,644,697)	(1,644,640)	(4,207,588)	(2,562,948)
Net change in fund balance	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC RECORDS MODERNIZATION FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	$ 1,778,757	$ 1,778,757	$ 2,507,467	$ 728,710
Interest	19,000	19,000	668,632	649,632
Total revenues	1,797,757	1,797,757	3,176,099	1,378,342
EXPENDITURES				
General government				
Personal services	3,176,083	3,176,083	2,739,411	436,672
Operating	1,300,584	2,980,094	1,670,164	1,309,930
Debt Service	-	-	250,301	(250,301)
Capital outlay	-	2,221,935	2,992,327	(770,392)
Total expenditures	4,476,667	8,378,112	7,652,203	725,909
Excess (deficiency)of revenues over (under) expenditures	(2,678,910)	(6,580,355)	(4,476,104)	2,104,251
OTHER FINANCING SOURCES (USES)				
Subscription based IT arrangement issuance	-	1,255,285	1,255,285	-
Total other financing sources and (uses)	-	1,255,285	1,255,285	-
Net change in fund balance	(2,678,910)	(5,325,070)	(3,220,819)	2,104,251
Fund balances - beginning	2,678,910	5,325,070	11,905,322	6,580,252
Fund balances - ending	$ -	$ -	$ 8,684,503	$ 8,684,503

The notes to the financial statements are an integral part of this statement.

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CHILD SUPPORT ENFORCEMENT
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ 255,000	$ 255,000	$ 165,999	$ (89,001)
Charges for services	-	-	$ 172	172
Interest	8,000	8,000	278,612	270,612
Total revenues	263,000	263,000	444,783	181,783
EXPENDITURES				
General government				
Personal Services	276,836	276,836	-	276,836
Operating	1,506,299	1,506,299	122,748	1,383,551
Debt Service	-	-	118,685	(118,685)
Total expenditures	1,783,135	1,783,135	241,433	1,541,702
Excess (deficiency) of revenues over (under) expenditures	(1,520,135)	(1,520,135)	203,350	1,723,485
Net change in fund balance	(1,520,135)	(1,520,135)	203,350	1,723,485
Fund balances - beginning	1,520,135	1,520,135	4,060,410	2,540,275
Fund balances - ending	$ -	$ -	$ 4,263,760	$ 4,263,760

The notes to the financial statements are an integral part of this statement.

CLERK OF CIRCUIT COURT
Lee County, Florida
STATEMENT OF FIDUCIARY NET POSITION
As of September 30, 2023

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 30,593,980
Total assets	30,593,980
LIABILITIES AND NET POSITION	
Liabilities	
Accounts payable	15,925
Due to Board of County Commissioners	300,146
Due to other governments	4,963,401
Total liabilities	5,279,472
Fiduciary Net Position	
Restricted for:	
Individuals, organizations, and other governments	25,314,508
Total fiduciary net position	25,314,508
Total liabilities and fiduciary net position	$ 30,593,980

The notes to the financial statements are an integral part of this statement.

CLERK OF CIRCUIT COURT
Lee County, Florida
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023

	Custodial Funds
ADDITIONS	
Fees/Fines collected for other governments	$ 196,176,669
Registry and other deposits collected	50,987,512
Total additions	247,164,181
DEDUCTIONS	
Fees/Fines disbursed to other governments	196,176,669
Registry and other deposits disbursed	54,734,922
Total deductions	250,911,591
Change in fiduciary net position	(3,747,410)
Fiduciary net position - beginning of year	29,061,918
Fiduciary net position - ending of year	$ 25,314,508

The notes to the financial statements are an integral part of this statement.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Lee County, Florida Clerk of the Circuit Court (the "Clerk"), is an elected constitutional officer as provided for by the Constitution of the State of Florida. For financial reporting purposes, the Clerk is deemed to be part of the primary government of Lee County, Florida (the "County") and therefore is included as such in the County's Annual Comprehensive Financial Report. There are no separate legal entities for which the Clerk is considered to be financially accountable.

Included in the financial statements are all departments and/or organizations for which the Clerk has oversight responsibilities which include, but are not limited to, financial interdependency, ability to significantly influence operations, and accountability for fiscal matters. The Clerk provides to the citizens of the County the functions of the court clerk, county auditor, county finance officer, county public/official records keeper, and Clerk to Board of County Commissioners (the "Board") as mandated by federal, state, and local government statutes and laws.

The non-court related general operations of the Clerk are funded principally by fees from third parties, and appropriations from the Board. The appropriations are presented in the Clerk's financial statements as transfers in. Pursuant to Section 218.36(2), *Florida Statutes*, net excess cash from operations in the General Fund at fiscal year-end are returned to the Board. Excess cash from operations returned to the Board are reflected as distribution of excess fees in the Clerk's General Fund.

Spending authority for the court related activities is provided by the State. Section 28.37 (2), *Florida Statutes*, provides for the monthly transfer of excess revenues over one-twelfth of the Clerk's court related budget to the State's Department of Revenue. Section 28.37 (3), *Florida Statutes*, provides for an annual transfer of all cumulative excess fines, fees, service charges, and court costs collected over the Clerk's authorized budgeted expenditures. The next annual cumulative transfer of funds is required by January 25, 2024.

Basis of Presentation

The financial statements of the Clerk are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures. The Clerk's funds are organized into two major categories: governmental and fiduciary. Government resources are allocated to, and accounted for, in individual funds, based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The financial statements presented include the General Fund, special revenue funds, and custodial funds of the Clerk's Office. These financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes,* and Section 10.550, *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements present only the portion of the funds of Lee County, Florida that are attributable to the Clerk. They are not intended to present fairly the financial position and results of operations of Lee County, Florida in conformity with accounting principles generally accepted in the United States of America.

Description of Funds

The following funds are used by the Clerk.

Governmental Funds

General Fund –The Clerk's activities are classified as court related and non-court related. The Clerk's General Fund activity, which is classified as non-court related, is funded through service charges for recording instruments and documents into the official records. Additionally, the Clerk to the Board is funded through the collection of Ad Valorem taxes by the Board, which is reported in the General Fund as transfers in. The General Fund is used to account for all revenue and expenditures applicable to the general operations of the Clerk, which are not properly accounted for in another fund. All operating revenue, which is not specifically restricted or designated as to use, is recorded in the General Fund. Excess net cash from operations at the end of the year, due back to the Board, is shown as transfers out in the General Fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes. The Clerk currently reports three Special Revenue Funds- *Court Fees, Public Records Modernization,* and *Child Support Enforcement*.

The *Court Fees* fund accounts for court related activities pursuant to Chapter 28, *Florida Statutes*. Court related activities are funded with fines, fees, service charges, and court costs. These revenues are restricted and are to be used exclusively for funding court related operations and, therefore, are reported in a special revenue fund.

The *Public Records Modernization ("PRM")* fund is funded by a portion of recording fees. This fund is mandated by Section 28.24 (12)(d), *Florida Statutes*, and must be used exclusively for equipment and maintenance of equipment, personnel training, and technical assistance in modernizing the public records system of the office. Since Revision 7 of Article V, *Florida Constitution,* went into effect on July 1, 2004, an additional amount is collected pursuant to Section 28.24(12)(e), *Florida Statutes*, and is used exclusively for funding court related technology needs.

The Board approved the creation of a special revenue fund to hold the *Child Support Enforcement ("CSE")* reimbursement amounts that exceed the operating cost of running the Child Support Depository program. These funds are to be used exclusively for court-related functions including personnel, operations, and technology.

Custodial Funds

Custodial Funds – Custodial Funds are used to account for assets held by the Clerk in a fiduciary capacity for individuals, private organizations, and other governments. The Clerk reports activity for five Custodial Funds; *Fines and Forfeitures, Jury and Witness, Delinquent Tax, Registry of Cour*t, and *Cash Bonds and Deposits*.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recognized and recorded regardless of the measurement focus applied.

Fund financial statements report detailed information about the Clerk. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. All of the governmental funds are considered major.

The governmental funds are presented on the modified accrual basis of accounting using the current financial resources measurement focus. Under the modified accrual basis of accounting, revenues are recognized when "measurable and available." The Clerk considers all revenues, except grants, available if they are collected within sixty days after year-end. Grants are recorded as earned if collected within ninety days after year-end. Primary revenues, such as charges for services and interest, are treated as susceptible to accrual under the modified accrual basis and so have been recognized as revenues. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured, and principal and interest on general long-term debt, which is recognized when due. The custodial funds are presented using the accrual basis of accounting.

Use of Estimates

The preparation of the financial statements requires management of the Clerk to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the period. Actual results could differ from those estimates.

Budgets and Budgetary Accounting

Chapter 218, *Florida Statutes*, governs the preparation, adoption and administration of the Clerk's General Fund annual budget. The Clerk's budget is prepared on a basis consistent with generally accepted accounting principles (GAAP), except as disclosed in Note II. The budget of the Clerk (to the extent of his function as ex-officio Clerk to the Board and amounts above his fee structure as Clerk to the Circuit and County Courts), is prepared for the General Fund (non-court related activities), which is submitted to and approved by the Board. The Clerk also prepares a portion of non-court related budget and special revenue budgets based on anticipated fees.

Pursuant to Sections 28.35 and 28.36, *Florida Statutes*, a balanced court related budget must be prepared on or before June 1 and submitted to the Clerks of Court Operations Corporation (the "Corporation"). The Corporation shall complete its review and adjustments to the Clerk's budget request and make its recommendations to the Legislature by August 1 each year. The Legislative Budget Commission should review and approve or amend the Clerk's budget prior to the start of the new fiscal year on October 1.

The Clerk's General Fund and special revenue funds budgets are prepared on the modified accrual basis. The annual budget for the General Fund serves as the legal level of control for the Clerk, and must have Board

approval to increase the funding from the Board. Any increase to the court related budget must be approved by the Corporation.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations and other changes applicable to the fiscal year, whenever legally authorized.

Cash, Cash Equivalents, and Investments

The Clerk considers highly liquid investments with a maturity of three months or less when purchased and those included in the internal investment pool, to be cash and cash equivalents. The Clerk invests funds throughout the year with Florida PRIME, an investment pool administered by the State Board of Administration ("SBA"), under the regulatory oversight of the State of Florida. Investments in Florida PRIME are made pursuant to Section 125.31, *Florida Statutes*. Florida PRIME is considered a qualifying external investment pool that meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the fair value of the Clerk's position in the pool is the same as the value of the pool shares. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year, Florida PRIME contained certain floating and adjustable rate securities, these investments represented 31.4% of Florida PRIME's portfolio at September 30, 2023.

In accordance with Governmental Accounting Standards Board Statement No. 79, *Certain External Investment Pools and Pool Participants*, as a participant in a qualifying external investment pool, the Clerk should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements.

With regard to redemption gates, Section 218.409(8)(a), *Florida Statutes*, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Section 218.409(4), *Florida Statutes* provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Inventory

Inventory is stated at cost using the "first-in, first-out"(FIFO) method and is recorded as an expenditure when consumed. The Clerk's inventory includes metered postage.

Capital Assets

The Clerk's capital assets include furniture, equipment, computer equipment, vehicles, and software. The Clerk, pursuant to *Florida Statutes*, owns no capital assets. *Florida Statutes* require that the Board own and maintain accountability for all capital assets for which the Clerk is custodian. The threshold for capitalizing all capital assets is $5,000, except software which is $100,000. Capital assets are recorded at cost, or estimated historical cost. Contributed assets are recorded at acquisition value. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

In accordance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*, depreciation for governmental fund capital assets is reflected in the government-wide financial statements but is not reflected in the fund financial statements. Therefore, no depreciation is recorded in the financial statements of the Clerk but rather is reflected in the financial statements of the County.

In the fund financial statements of the Clerk, capital assets purchased and used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Subscription-Based Information Technology Arrangement (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.

Compensated Absences

The Clerk's employees accumulate sick and annual leave, based on the number of years of continuous service. Employees may not accumulate more than 500 hours of annual vacation time. Upon termination of employment, employees can receive payment for all outstanding accumulated vacation leave and a maximum of 80 hours of accumulated personal leave. Employees who retire under the Florida Retirement System receive payment for all outstanding accumulated vacation leave, a maximum of 80 hours of accumulated personal leave, and 100 percent of accumulated sick leave. The Clerk does not, nor is the Clerk legally required to accumulate expendable financial resources for these obligations. Accordingly, the liability for compensated absences is not reported in the Clerk's fund financial statements, but rather is reported in the basic financial statements of the County.

Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net assets that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until then. In governmental funds, revenues not available within sixty days of year-end and grant revenue not available within ninety days of year-end are deferred until collected as they do not meet the availability criteria. The Clerk currently has unavailable revenue for accounts receivable due from State.

NOTE II – DIFFERENCE BETWEEN BUDGETED AND ACTUAL RESULTS

Budgets are adopted on a basis consistent with GAAP except as follows:

General Fund

Net Change in fund balance (GAAP Basis)	$ 0
Unearned Value Adjustment Board Revenue	33,682
Net Change in fund balance non-GAAP	$ 33,682

Court Fees Fund

Net Change in fund balance (GAAP Basis)	$ (69,876)
Unavailable Jury Revenue	(69,876)
Net Change in fund balance non-GAAP	$ 0

NOTE III – CASH, CASH EQUIVALENTS, AND INVESTMENTS

At September 30, 2023, the Clerk had the following deposits, investments, and maturities:

Investment	Maturities	Fair Value	Rating
Cash on Hand	N/A	$ 2,250,291	N/A
Demand Deposits	N/A	27,895,332	N/A
Florida PRIME	35 days	30,907,611	AAAm
Total Cash, Cash Equivalents and Investments		$ 61,053,234	
Reconciliation:			
General Fund		$ 5,668,985	
Court Fees		11,697,002	
Public Records Modernization		8,776,750	
Child Support Enforcement		4,316,517	
Custodial Funds		30,593,980	
		$ 61,053,234	

Custodial Credit Risk

At September 30, 2023, the Clerk's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes*. Under this chapter, in the event of

default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Clerk does not have a formal written investment policy and thereby is required to follow Section 218.415, *Florida Statutes,* when investing surplus funds. This statute limits investing of surplus funds to the Florida PRIME, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest-bearing time deposits or savings accounts in qualified public depositories, or direct obligations of the U.S. Treasury.

Interest Rate Risk

The Clerk does not have a formal investment policy that limits investment maturities nor is one contained in Section 218.415, *Florida Statutes*. The weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2023 was 35 days. Next interest rate reset dates for floating securities are used in the calculation of the WAM. The weighted average life (WAL) of the Florida PRIME at September 30, 2023 was 75 days.

Concentration of Credit Risk

The Clerk places no limit on the amount it may invest in any one issuer or investment.

NOTE IV – CAPITAL ASSETS

Capital Assets

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

Governmental Activities:	Beginning Balance as restated*	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Artwork	$ 1,000	$ -	$ -	$ 1,000
Total capital assets not being depreciated	1,000	-	-	1,000
Capital assets being depreciated:				
Machinery and equipment	4,500,797	872,533	(961,147)	4,412,183
Software	11,320,418	-	-	11,320,418
Intangible subscription based IT arrangement	881,821	2,171,486	-	3,053,307
Total capital assets being depreciated/amortized	16,703,036	3,044,019	(961,147)	18,785,908
Less accumulated depreciation/amortized for:				
Machinery and equipment	3,245,667	272,132	(924,256)	2,593,543
Software	10,793,918	284,821	-	11,078,739
Intangible subscription based IT arrangement	-	812,630	-	812,630
Total accumulated depreciation/amortized	14,039,585	1,369,583	(924,256)	14,484,912
Total capital assets being depreciated/amortized, net	2,663,451	1,674,436	(36,891)	4,300,996
Total governmental activities capital assets, net	$ 2,664,451	$ 1,674,436	$ (36,891)	$ 4,301,996

*The beginning balance restatement is a result of the implementation of GASB 96.

NOTE V – RETIREMENT PLANS

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 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' Website (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.

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 55 or at any age after 25 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 96 months after electing to participate, except that certain instructional personnel may participate for up to 120 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 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 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement. In 2017, Senate Bill 7022 made several changes to FRS. The bill provides for renewed membership in the investment plan for reemployed retirees of the investment plan, as well as, In-Line-of Duty Death Benefits.

Detailed information about the Clerk'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 September 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 Clerk'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.

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 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. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 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. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-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 $3,118,856, $2,420,041, and $2,024,445 respectively, equal to the actuarially determined contribution requirements for each year. Additional information about pension plans can be found in the County's annual comprehensive financial report.

Other Postemployment Benefits

The Clerk provides postemployment health care benefits in accordance with Section 112.0801, *Florida Statutes*, to all employees who retire from the Clerk. The Clerk is required to provide health care coverage at cost to all retirees. Effective October 1, 2018, the Clerk offers a premium subsidy to all retires with eight or more years of consecutive employment. The liability, expense and deferred outflows/inflows of resources for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

NOTE VI – RISK MANAGEMENT

The Lee County, Florida, Board of County Commissioners maintains self-insurance internal service funds to administer insurance activities relating to certain group medical and dental coverage, property, general, automobile, public officials liability, workers' compensation and auto physical damage. The Clerk participates in the County-wide self-insurance program for all activities. For liability insurance, the Board pays substantially all of the respective premiums on behalf of the Clerk and absorbs losses related to these programs up to an aggregate annual limit. Excess and other specific coverage is purchased from third-party carriers. Charges to participants are based upon amounts believed by management of the program to meet the required annual payouts during the fiscal year and to pay for the estimated operating cost of the program. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. As a result, there was no reduction in insurance coverage.

NOTE VII – LONG-TERM OBLIGATIONS

The following changes in long-term obligations occurred during the year ended September 30, 2023:

	Beginning Balance as restated*	Additions	Reductions	Ending Balance
Compensated Absences	$ 3,124,607	$ 2,733,720	$ (2,454,975)	$ 3,403,352
Subscription based IT arrangements payable	427,099	1,255,285	(368,986)	1,313,398
Total	$ 3,551,706	$ 3,989,005	$ (2,823,961)	$ 4,716,750

*The beginning balance restatement is a result of the implementation of GASB 96.

Of these liabilities, approximately $180,212 compensated absences and $427,099 of SBITA is expected to be paid during the fiscal year ended September 30, 2024. These long-term liabilities are not reported in the financial statements of the Clerk since they have not matured.

SBITA's entered into by the Clerk 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 SBITA 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 Clerk entered into two SBITA's in the amount of $2,171,486. Of the total, $916,201 was fully paid upon agreement execution, resulting in the recognition of a subscription asset

and no associated liability. The other SBITA in the amount $1,255,285 was recognized as both a subscription asset and liability. During the year ended September 30, 2023, the Clerk's payment of principal on SBITAs totaled $368,986.

Detailed information about the Clerk's SBITA's can be found in County's annual comprehensive financial report.

NOTE VIII – COMMITMENTS AND CONTINGENCIES

Litigation

The Clerk is involved from time to time in routine civil litigation, the substance of which would not materially affect the financial position of the Clerk.

Grants

The Clerk is the recipient of grants that are subject to special compliance requirements and audits by the grantor agencies that may result in disallowed expense amounts. These amounts constitute a contingent liability of the Clerk. The Clerk does not believe any contingent liabilities, if any, to be material to the financial statements.

NOTE IX – GOVERNMENTAL FUND BALANCES

In accordance with Governmental Accounting Standards Board Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances are classified as nonspendable or spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

The *nonspendable* fund balance classification includes amounts that cannot be spent because they are either (a) not in a spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion include items that are not expected to be converted to cash. As of September 30, 2023, the Clerk's General Fund reported a nonspendable fund balance of $40,511 for inventory.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Clerk considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Clerk considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.
Spendable fund balances are classified as follows:

Restricted fund balances are constrained for a specific purpose by creditors, grantors, contributors, laws or regulations, or through constitutional provisions or enabling legislation. The Clerk's Public Records Modernization special revenue fund reported a restricted fund balance of $8,684,503 which includes $4,907,801 for public records modernization and $3,776,702 for court technology.

Committed fund balances are constrained for a specific purpose imposed by a formal action of the Clerk's highest level of decision making authority. As of September 30, 2023, the Clerk's Child Support

Enforcement special revenue fund reported committed fund balance of $4,262,445 for court related functions.

Assigned fund balances are intended to be used for specific purposes, but which are neither restricted nor committed. As of September 30, 2023, the Clerk reported no assigned fund balances.

Unassigned fund balances represent the residual fund balances that do not meet the other fund balance classification requirements. As of September 30, 2023, the Clerk's General Fund reported a negative unassigned fund balance of $40,511 since all excess fees are returned to the County and the General Fund reports a nonspendable fund balance for its inventory. The Court Fees Fund reported a negative unassigned fund balance of $69,876 as a result of jury funding not being received within 60 days of year-end. The deficit will resolve in the next fiscal year. There were no other negative residual balances reported in the Clerk's special revenue funds.

NOTE X – ADOPTION OF NEW ACCOUNTING STANDARD

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 outlay other than subscription payments, including implementation coasts of a SBITA; and requires note disclosures regarding SBITA. The Clerk adopted the requirements of this guidance effective October 1, 2023.

Supplementary Financial Information

CLERK OF CIRCUIT COURT
Lee County, Florida
COMBINING STATEMENT OF FIDUCIARY NET POSITION - ALL CUSTODIAL FUNDS
As of September 30, 2023

	Fines and Forfeitures	Jury and Witness	Delinquent Tax	Registry of Court	Cash Bonds and Deposits	Total All Custodial Funds
ASSETS						
Cash and cash equivalents	$ 5,263,547	$ 20,006	$ 12,523,063	$ 11,860,479	$ 926,885	$ 30,593,980
Total assets	5,263,547	20,006	12,523,063	11,860,479	926,885	30,593,980
LIABILITIES AND FIDUCIARY NET POSITION						
Liabilities						
Accounts payable	-	-		-	15,925	15,925
Due to Board of County Commissioners	300,146	-	-	-	-	300,146
Due to other governments	4,963,401	-	-	-	-	4,963,401
Total liabilities	5,263,547	-	-	-	15,925	5,279,472
Fiduciary Net Position						
Restricted for:						
Individuals, organizations, and other governments	-	20,006	12,523,063	11,860,479	910,960	25,314,508
Total fiduciary net position	-	20,006	12,523,063	11,860,479	910,960	25,314,508
Total liabilities and fiduciary net position	$ 5,263,547	$ 20,006	$ 12,523,063	$ 11,860,479	$ 926,885	$ 30,593,980

The notes to the financial statements are an integral part of this statement.

CLERK OF CIRCUIT COURT
Lee County, Florida
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023

	Fines and Forfeitures	Jury and Witness	Delinquent Tax	Registry of Court	Cash Bonds and Deposits	Total All Custodial Funds
ADDITIONS						
Fees/Fines collected for other governments	$ 196,176,669	$ -	$ -	$ -	$ -	$ 196,176,669
Registry and other deposits collected	-	100,000	15,489,855	33,274,022	2,123,635	50,987,512
Total Additions	196,176,669	100,000	15,489,855	33,274,022	2,123,635	247,164,181
DEDUCTIONS						
Fees/Fines disbursed to other governments	196,176,669	-	-	-	-	196,176,669
Registry and other deposits disbursed	-	106,787	19,522,684	32,431,734	2,673,717	54,734,922
Total Deductions	196,176,669	106,787	19,522,684	32,431,734	2,673,717	250,911,591
Change in Fiduciary Net Position	-	(6,787)	(4,032,829)	842,288	(550,082)	(3,747,410)
Fiduciary net position - beginning of Year	-	26,793	16,555,892	11,018,191	1,461,042	29,061,918
Fiduciary net position - ending of Year	$ -	$ 20,006	$ 12,523,063	$ 11,860,479	$ 910,960	$ 25,314,508

The notes to the financial statements are an integral part of this statement.

Additional Reports of Independent Auditor

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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 Kevin Karnes
Clerk of Circuit Court
Lee 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 Lee County, Florida, Clerk of 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 December 19, 2023.

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. 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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Honorable Kevin Karnes
Clerk of Circuit Court
Lee County, Florida

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.*

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

Fort Myers, Florida
December 19, 2023

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MANAGEMENT LETTER

Honorable Kevin Karnes
Clerk of Circuit Court
Lee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Lee County, Florida, Clerk of Circuit Court (the Clerk), as of and for the year ended September 30, 2023, and have issued our report thereon dated December 19, 2023.

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 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 December 19, 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. 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.

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Honorable Kevin Karnes
Clerk of Circuit Court
Lee County, Florida

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, 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

Fort Myers, Florida
December 19, 2023

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Kevin Karnes
Clerk of Circuit Court
Lee County, Florida

We have examined the Lee County, Florida, Clerk of Circuit Court's (the 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 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 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 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 Clerk of the Court's performance standards and budgets during the 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

Fort Myers, Florida
December 19, 2023

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LEE COUNTY, FLORIDA
PROPERTY APPRAISER

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2023



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LEE COUNTY, FLORIDA
PROPERTY APPRAISER
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INDEPENDENT AUDITORS' REPORT

Honorable Matthew H. Caldwell
Property Appraiser
Lee County, Florida

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Property Appraiser as of September 30, 2023, and the respective changes in the financial position and the respective budgetary comparisons for the General Fund and GIS 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 Property Appraiser and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Property Appraiser 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 each major fund of Lee County, Florida that is attributable to the transactions of the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Lee County, Florida as of September 30, 2023, 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 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 opinions on the basic financial statements are 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 November 8, 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

CliftonLarsonAllen LLP

Fort Myers, Florida
November 8, 2023

LEE COUNTY, FLORIDA
PROPERTY APPRAISER
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General Fund	GIS Fund	Total
ASSETS			
Cash and Cash Equivalents	$ 1,457,620	$ 251,815	$ 1,709,435
Due from Other Fund	16,526	-	16,526
Total Assets	$ 1,474,146	$ 251,815	$ 1,725,961
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts Payable	$ 189,183	$ 1,590	$ 190,773
Accrued and Other Liabilities	169,642	20,589	190,231
Due to Other Fund	-	16,526	16,526
Due to Other Governments	159,445	-	159,445
Due to the Board of County Commissioners	955,876	213,110	1,168,986
Total Liabilities	1,474,146	251,815	1,725,961
FUND BALANCE	-	-	-
Total Liabilities and Fund Balance	$ 1,474,146	$ 251,815	$ 1,725,961

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	General Fund	GIS Fund	Total
REVENUES			
Intergovernmental	$ 2,382,905	$ -	$ 2,382,905
Charges for Services	458,412	-	458,412
Interest Earned	52,017	-	52,017
Miscellaneous	601	-	601
Total Revenues	2,893,935	-	2,893,935
EXPENDITURES			
General Government:			
Personal Services	9,572,223	1,254,403	10,826,626
Operating Expenditures	1,670,837	45,553	1,716,390
Capital Outlay	79,081	11,037	90,118
Debt Service - Principal	15,490	486,924	502,414
Debt Service - Interest	3,883	67,116	70,999
Total Expenditures	11,341,514	1,865,033	13,206,547
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(8,447,579)	(1,865,033)	(10,312,612)
OTHER FINANCING SOURCES (USES)			
Board of County Commissioners Fees and Appropriations	9,562,900	2,078,143	11,641,043
Distribution of Excess Fees and Appropriations to the Board of County Commissioners	(955,876)	(213,110)	(1,168,986)
Distribution of Excess Fees to Other Taxing Districts	(159,445)	-	(159,445)
Total Other Financing Sources	8,447,579	1,865,033	10,312,612
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND – (NON-GAAP BUDGETARY BASIS)
YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 1,672,302	$ 1,672,302	$ 1,770,941	$ 98,639
Interest Earned	-	-	52,017	52,017
Miscellaneous	-	-	601	601
Total Revenues	1,672,302	1,672,302	1,823,559	151,257
EXPENDITURES				
General Government:				
Personal Services	10,002,856	9,934,296	9,032,764	901,532
Operating Expenditures	1,204,394	1,221,820	1,139,920	81,900
Capital Outlay	-	79,086	79,081	5
Debt Service - Principal	-	-	15,490	(15,490)
Debt Service - Interest	-	-	3,883	(3,883)
Total Expenditures	11,207,250	11,235,202	10,271,138	964,064
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(9,534,948)	(9,562,900)	(8,447,579)	1,115,321
OTHER FINANCING SOURCES (USES)				
Board of County Commissioners Fees and Appropriations	9,534,948	9,562,900	9,562,900	-
Distribution of Excess Fees and Appropriations to the Board of County Commissioners	-	-	(955,876)	(955,876)
Distribution of Excess Fees to Other Taxing Districts	-	-	(159,445)	(159,445)
Total Other Financing Sources	9,534,948	9,562,900	8,447,579	(1,115,321)
NET CHANGE IN FUND BALANCE	$ -	$ -	-	$ -
Fund Balance - Beginning of Year			-	
FUND BALANCE - END OF YEAR			$ -	

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GIS FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES	$ -	$ -	$ -	$ -
EXPENDITURES				
General Government:				
Personal Services	1,456,665	1,456,665	1,254,403	202,262
Operating Expenditures	602,978	602,978	45,553	557,425
Capital Outlay	18,500	18,500	11,037	7,463
Debt Service - Principal	-	-	486,924	(486,924)
Debt Service - Interest	-	-	67,116	(67,116)
Total Expenditures	2,078,143	2,078,143	1,865,033	213,110
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,078,143)	(2,078,143)	(1,865,033)	213,110
OTHER FINANCING SOURCES (USES)				
Board of County Commissioners Fees and Appropriations	2,078,143	2,078,143	2,078,143	-
Distribution of Excess Fees and Appropriations to the Board of County Commissioners	-	-	(213,110)	(213,110)
Total Other Financing Sources	2,078,143	2,078,143	1,865,033	(213,110)
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 following is a summary of the significant accounting principles and policies used in the preparation of the accompanying financial statements of the Lee County, Florida, Property Appraiser (Property Appraiser).

Financial Reporting Entity

The Property Appraiser is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Property Appraiser is part of the primary government of the Lee County, Florida (the County). Although the Board of County Commissioners (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.

For financial reporting purposes, the Property Appraiser is deemed to be part of the primary government of the County, and, therefore, is included as such in the County's Annual Comprehensive Financial Report (ACFR). There are no component units included in the Property Appraiser's financial statements.

Measurement Focus, Basis of Accounting, and Basis of Presentation

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 Lee County, Florida that are attributable to the Property Appraiser. They are not intended to present fairly the financial position and results of operations of Lee County, Florida in conformity with accounting principles generally accepted in the United States of America. The financial activities of the Property Appraiser, as a constitutional officer, are included in the County's Annual Comprehensive Financial Report (ACFR).

These fund financial statements report detailed information about the Property Appraiser. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

Governmental Funds

The Lee County, Florida, Property Appraiser has two major governmental funds:

General Fund – The General Fund is used to account for the general operations of the Property Appraiser. Excess revenue in this fund is paid to the Board of County Commissioners and the respective special taxing districts at year-end.

GIS Fund – The GIS Fund is a special revenue fund used to account for the restricted revenues and expenditures associated with the operations of Lee County's Geographical Information System (GIS). Excess revenue in this fund is paid to the Board of County Commissioners at year-end.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Property Appraiser considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured.

Charges for services and interest income are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Interest revenue and miscellaneous revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Substantially all the Property Appraiser's revenue is received from taxing authorities. These monies are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, earlier if the "susceptible to accrual" criteria are met.

Florida Statutes provide that the amount by which revenues exceed annual expenditures (excess fees) be remitted to each governmental agency or the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized.

Capital outlay expended in the General and GIS funds' operations are capitalized in the basic financial statements of the County rather than in the governmental funds of the Property Appraiser.

Refund of Excess Fees

Florida Statutes further provide that the excess of revenues over expenditures held by the Property Appraiser be distributed to each governmental agency or the Board in the same proportion as the fees paid by each governmental agency bear to total fee revenues. The amount of this distribution is recorded as a liability and as another financing use-transfer out in the accompanying financial statements.

Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of three months or less and are carried at cost.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Full-time employees of the Property Appraiser can accumulate paid time off (PTO) based on the number of years of continuous service with the Property Appraiser. Regular part-time employees scheduled to work at least thirty hours per week accrue PTO on a prorated basis calculated from the base hours normally scheduled to work. Employees can accumulate PTO not to exceed to 560 hours. Upon termination, employees who have completed their initial probationary period will be eligible for payment of a portion of their unused PTO accruals based on their length of service. PTO is included in operating costs when the payments are made to employees. The Property Appraiser does not, nor is legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the financial statements of the Property Appraiser but, rather, is reported in the basic financial statements of the County.

Use of Estimates

The preparation of the financial statements, in accordance with generally accepted accounting principles in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Adoption of New Accounting Standards

In May 2020, GASB introduced a new standard, Statement No 96 Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The Property Appraiser adopted the requirements of the guidance in 2023.

NOTE 2 BUDGETARY PROCESS

Florida Statutes govern the preparation, adoption, and administration of the Property Appraiser's annual budget for the General Fund. The Property Appraiser prepares a budget for the General Fund and submits it to the Florida Department of Revenue for approval. A copy of the approved General Fund budget is provided to the Board. Any subsequent amendments must be approved by the Florida Department of Revenue. The Property Appraiser also adopts a budget for its GIS Fund pursuant to an Interlocal Agreement with the Board. This budget is approved annually by the Board.

NOTE 2 BUDGETARY PROCESS (CONTINUED)

The annual budget serves as the legal authorization for expenditures. Expenditures may not legally exceed appropriations at the fund level. Distributions of excess fees and appropriations are not considered expenditures. Appropriations lapse at year-end. Budget control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Property Appraiser. Amendments to the approved General Fund budget must be approved by the Florida Department of Revenue.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other changes applicable to the fiscal year, whenever legally authorized.

The GIS Fund budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The Property Appraiser's General Fund budget is prepared based on Florida Department of Revenue Rules, which differs from GAAP in that costs and offsetting revenues related to TRIM notices, non-ad valorem commissions on cost recovery revenues received from Special Districts and other governments and expenditures paid from these commissions, as well as other financing sources associated with leasing transactions, are not recognized under the budgetary basis of accounting; however, all such revenues and expenditures are recognized under the GAAP basis.

The General Fund actual results of operations in the statement of revenues, expenditures, and changes in fund balance – budget to actual – General Fund are presented on a budgetary basis. Adjustments to convert the results of operations at the end of the year, for the year ended September 30, 2023, from the budgetary basis of accounting to the GAAP basis of accounting are as follows:

	Revenues	Expenditures	Other Financing Sources (Uses)
Total Budgetary Basis (Non-GAAP)	$ 1,823,559	$ 10,271,138	$ 8,447,579
Charges for Services Not Budgeted (TRIM)	457,354	-	-
Operating Expenditures Not Budgeted (TRIM)	-	457,354	-
Intergovernmental Revenue Not Budgeted (Cost Recovery)	613,022	-	-
Operating Expenditures Not Budgeted (Cost Recovery)	-	73,563	-
Personnel Services Not Budgeted (Cost Recovery)	-	539,459	-
Total GAAP Basis	$ 2,893,935	$ 11,341,514	$ 8,447,579

NOTE 3 CASH

At September 30, 2023, the carrying value of the Property Appraiser's cash was as follows:

Type	Carrying Value
Cash on Hand	$ 1,000
Demand Deposits	1,708,435
Total Cash	$ 1,709,435

Custodial Credit Risk

At September 30, 2023, the Property Appraiser's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Property Appraiser's policy is to follow the guidance in Section 219.075, Florida Statutes, regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, *Florida Statutes*, authorize the Property Appraiser to invest in Florida PRIME (formerly the Local Government Surplus Funds Trust Fund) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the state of Florida, savings and loan associations which are under state supervision; or in federal savings and loan associations located in the State of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

Interest Rate Risk

The Property Appraiser has no specific investment policy regarding interest rate risk.

NOTE 4 CAPITAL ASSETS

Capital assets used by the Property Appraiser are capitalized in the basic financial statements of the County rather than in the governmental funds of the Property Appraiser. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Property Appraiser and are capitalized at cost in the basic financial statements of the Board. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date received. The Property Appraiser maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense is recorded in the basic financial statements of the County.

NOTE 5 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities, which are reported in the basic financial statements of the Board:

	October 1, 2022	Additions	Retirements	September 30, 2023
Compensated Absences	$ 654,981	$ 568,042	$ (636,069)	$ 586,954

Substantially all the balance outstanding at September 30, 2023 is expected to be paid during the fiscal year ending September 30, 2023. These long-term liabilities are not reported in the financial statements of the Property Appraiser since they have not matured.

NOTE 6 LEASES

The Property Appraiser leases assets that meet the definition of a lease under GASB Statement No. 87 – *Leases*. Detailed information about the Property Appraiser's leases can be found in the Lee County, Florida annual comprehensive financial report on County-wide financial statements.

Leases entered into by the Property Appraiser 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 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 Property Appraiser entered into no new leases. During the year ended September 30, 2023, the Property Appraiser's payment of principal on leases totaled $15,490.

NOTE 7 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Property Appraiser entered into software agreements that meet the definition of a subscription-based information technology arrangement (SBITA) under GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. Detailed information about the Property Appraiser's SBITAs can be found in the Lee County, Florida annual comprehensive financial report on County-wide financial statements.

SBITAs entered into by the Property Appraiser 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 SBITA 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 Property Appraiser entered into no new SBITAs. During the year ended September 30, 2023, the Property Appraiser's payment of principal on SBITAs totaled $486,924.

NOTE 8 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 (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution 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.

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 (FRS Plan and HIS) 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' Website (www.dms.myflorida.com).

NOTE 8 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (FRS Plan)

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multi-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 Officials 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.
- *Special Risk Administrative Support Class* – Members who provide administrative support for a special risk employer

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 8 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (FRS Plan) (Continued)

Benefits Provided

Benefits under the FRS Plan are computed based on 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 Property Appraiser'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 (HIS)

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 Property Appraiser'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 8 PENSION PLANS (CONTINUED)

Defined Contribution 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.

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 Officials, 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 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 Florida 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 lumpsum 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 8 PENSION PLANS (CONTINUED)

Defined Contribution Plan (Continued)

Contributions

The Property Appraiser's contributions excluding employee contributions to the pension plans totaled $1,122,481 for the year ended September 30, 2023. The Property Appraiser contributed 100% of the required contributions.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The Property Appraiser provides postretirement healthcare benefits in accordance with Section 112.0801, *Florida Statutes*, to all employees who retire from the Property Appraiser. The Property Appraiser pays 50% of the premium cost for the retiree to participate in the Board's self-insurance fund. 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.

NOTE 10 DEFERRED COMPENSATION

The Property Appraiser offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time Property Appraiser employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation balance is not available to participants or their estate until termination, retirement, death, or unforeseeable emergency. No contributions were made during the year ended September 30, 2023.

NOTE 11 RISK MANAGEMENT

The Property Appraiser is exposed to various risks of loss, including general liability, health, dental, disability and life, property and casualty, auto and physical damage, and workers' compensation. A self-insurance internal service fund is maintained by the Board of County Commissioners to administer insurance activities. All liabilities associated with these self-insured risks are reported in the basic financial statements of the Board. During the year ended September 30, 2023, the Property Appraiser paid $2,051,566 to the Board of County Commissioners for health, life, dental and disability coverage into the risk management program. The Board of County Commissioners paid $62,537 to the self-insurance fund on behalf of the Property Appraiser for general liability, property, and casualty, auto and physical damage and workers' compensation during the year ended September 30, 2023.

NOTE 11 RISK MANAGEMENT (CONTINUED)

Under this program, the Board of County Commissioners provides coverage for group health, dental, general liability claims and workers compensation. Lee County, Florida purchases commercial insurance for claims in excess of coverage provided by the risk management program and all other risks of loss. There have been no significant reductions in insurance coverage in the last fiscal year. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

NOTE 12 CLAIMS AND CONTINGENCIES

Litigation

The Property Appraiser is involved as a defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. In the opinion of the Property Appraiser and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Property Appraiser.

ADDITIONAL REPORTS

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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 Matthew H. Caldwell
Property Appraiser
Lee County, Florida

We have audited, 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, the financial statements of each major fund of the Lee County, Florida, Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated November 8, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Property Appraiser's internal control.

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

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

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Reports 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 Property Appraiser'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 Property Appraiser's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Myers, Florida
November 8, 2023

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MANAGEMENT LETTER

Honorable Matthew H. Caldwell
Property Appraiser
Lee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Lee County, Florida, Property Appraiser (the Property Appraiser) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated November 8, 2023.

Auditor's 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 of America 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* 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 November 8, 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. 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.

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Financial Management

Section 10.554(1)(i)(2)., *Rules of the Auditor General*, requires that we address in the management letter 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 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

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Fort Myers, Florida
November 8, 2023

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Matthew H. Caldwell
Property Appraiser
Lee County, Florida

We have examined the Lee County, Florida, Property Appraiser's (the Property Appraiser) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Property Appraiser's compliance with 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

Fort Myers, Florida
November 8, 2023

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LEE COUNTY, FLORIDA
SHERIFF

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2023



CPAs | CONSULTANTS | WEALTH ADVISORS

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LEE COUNTY, FLORIDA
SHERIFF
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INDEPENDENT AUDITORS' REPORT

Honorable Carmine Marceno
Sheriff
Lee 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 Lee County, Florida Sheriff (the 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 where applicable, cash flows thereof, 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 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 Sheriff 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, the changes in financial position, and, where applicable, cash flows of only that portion of each major fund and the aggregate remaining fund information of Lee 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 Lee County, Florida as of September 30, 2023 or the changes in 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 to the financial statements, effective October 1, 2022, the Sheriff adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard requires governments to recognize a right-to-use subscription-based information technology arrangement asset and corresponding subscription-based information technology arrangement liability for all arrangements with terms greater than 12 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 the 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.

Honorable Carmine Marceno
Sheriff
Lee County, Florida

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Changes in Total OPEB Liability and Related Ratios be presented to supplement the 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.

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 opinions on the basic financial statements are 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 5, 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

CliftonLarsonAllen LLP

Fort Myers, Florida
February 5, 2024

FINANCIAL STATEMENTS

LEE COUNTY, FLORIDA
SHERIFF
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General Fund	Grants Fund	Off-Duty Detail Fund	Canteen Fund	Forfeitures Fund	Total
ASSETS						
Cash	$ 17,513,411	$ 500	$ -	$ 564,176	$ 327,932	$ 18,406,019
Receivables	43,408	-	277,061	351,134	-	671,603
Due from Other Funds	1,090,387	-	-	-	-	1,090,387
Due from Lee County, Florida, Board of County Commissioners	-	16,656	63,568	-	-	80,224
Due from Other Governmental Units	-	1,088,732	-	-	-	1,088,732
Total Assets	$ 18,647,206	$ 1,105,888	$ 340,629	$ 915,310	$ 327,932	$ 21,336,965
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Contracts, Claims, and Accounts Payable	$ 5,113,167	$ 26	$ -	$ 101,183	$ 265	$ 5,214,641
Accrued Liabilities	6,585,418	-	142,695	-	-	6,728,113
Due to Other Funds	-	892,453	197,934	-	-	1,090,387
Due to Other Governmental Units	-	-	-	-	5,000	5,000
Due to Lee County, Florida, Board of County Commissioners	6,655,492	-	-	-	322,667	6,978,159
Due to Individuals	293,129	-	-	-	-	293,129
Unearned Revenue	-	199,723	-	-	-	199,723
Total Liabilities	18,647,206	1,092,202	340,629	101,183	327,932	20,509,152
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue	-	846,602	-	-	-	846,602
FUND BALANCE						
Restricted for:						
Inmate Welfare	-	-	-	814,127	-	814,127
Unassigned	-	(832,916)	-	-	-	(832,916)
Total Fund Balance	-	(832,916)	-	814,127	-	(18,789)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 18,647,206	$ 1,105,888	$ 340,629	$ 915,310	$ 327,932	$ 21,336,965

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENIES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Grants Fund	Off-Duty Detail Fund	Canteen Fund	Forfeitures Fund	Total
REVENUES						
Intergovernmental	$ 8,536	$ 10,010,912	$ -	$ -	$ 88,609	$ 10,108,057
Charges for Services	1,437,774	83,868	3,422,080	3,647,321	-	8,591,043
Investment Earnings	533,490	-	-	-	-	533,490
Miscellaneous Revenues	-	5,750	-	-	-	5,750
Total Revenues	1,979,800	10,100,530	3,422,080	3,647,321	88,609	19,238,340
EXPENDITURES						
General Government	12,090,830	-	-	-	-	12,090,830
Public Safety	235,773,345	11,214,399	3,309,362	4,043,413	88,609	254,429,128
Debt Service:						
Principal	1,627,713	-	-	-	-	1,627,713
Interest and Fiscal Charges	197,405	-	-	-	-	197,405
Capital Outlay	14,461,613	1,262,223	112,718	428,620	-	16,265,174
Total Expenditures	264,150,906	12,476,622	3,422,080	4,472,033	88,609	284,610,250
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(262,171,106)	(2,376,092)	-	(824,712)	-	(265,371,910)
OTHER FINANCING SOURCES (USES)						
Proceeds from Sale of Capital Assets	1,159,072	-	-	-	-	1,159,072
Leases	712,583	-	-	-	-	712,583
Subscription-Based Information Technology Arrangements	924,985	-	-	-	-	924,985
Lee County, Florida, Board of County Commissioners Appropriations	265,966,605	1,510,000	-	-	-	267,476,605
Distribution of Excess Appropriations to the Lee County, Florida, Board of County Commissioners	(6,592,139)	-	-	-	-	(6,592,139)
Total Other Financing Sources (Uses)	262,171,106	1,510,000	-	-	-	263,681,106
NET CHANGE IN FUND BALANCE	-	(866,092)	-	(824,712)	-	(1,690,804)
Fund Balance - Beginning of Year	-	33,176	-	1,638,839	-	1,672,015
FUND BALANCE - END OF YEAR	$ -	$ (832,916)	$ -	$ 814,127	$ -	$ (18,789)

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental	$ -	$ 8,536	$ 8,536	$ -
Charges for Services	-	1,437,774	1,437,774	-
Investment Earnings	-	533,490	533,490	-
Total Revenues	-	1,979,800	1,979,800	-
EXPENDITURES				
General Government:				
Personnel Services	11,707,857	11,888,804	11,875,324	(13,480)
Operating	251,577	220,366	215,506	(4,860)
Public Safety:				
Personnel Services	182,650,870	188,066,615	187,739,075	(327,540)
Operating	45,605,549	54,119,035	48,034,270	(6,084,765)
Debt Service	652,275	1,408,890	1,825,118	416,228
Capital Outlay	700,000	12,868,277	14,461,613	1,593,336
Total Expenditures	241,568,128	268,571,987	264,150,906	(4,421,081)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(241,568,128)	(266,592,187)	(262,171,106)	4,421,081
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	-	1,159,072	1,159,072	-
Leases	-	-	712,583	712,583
Subscription-Based Information Technology Arrangements	-	-	924,985	924,985
Lee County, Florida, Board of County Commissioners Appropriations	241,568,128	265,966,605	265,966,605	-
Distribution of Excess Appropriations to the Lee County, Florida, Board of County Commissioners	-	(533,490)	(6,592,139)	(6,058,649)
Total Other Financing Sources (Uses)	241,568,128	266,592,187	262,171,106	(4,421,081)
NET CHANGES IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
SHERIFF
STATEMENT OF NET POSITION –
INTERNAL SERVICE FUND
SEPTEMBER 30, 2023

ASSETS	
Current Assets:	
Cash	$ 25,324,075
Total Current Assets	25,324,075
Noncurrent Assets:	
Right-to-Use Asset, Net	676,678
Total Noncurrent Assets	676,678
Total Assets	$ 26,000,753
LIABILITIES	
Current Liabilities:	
Accounts Payable	$ 167,775
Self-Insurance Claims Payable	2,669,581
Lease Liability	57,387
Total Current Liabilities	2,894,743
Noncurrent Liabilities:	
Lease Liability, Net of Current Portion	647,467
Total Noncurrent Liabilities	647,467
Total Liabilities	3,542,210
NET POSITION	
Unrestricted	22,458,543
Total Net Position	$ 22,458,543

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION – INTERNAL SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2023

OPERATING REVENUES	
Charges for Services	$ 37,610,675
OPERATING EXPENSES	
Claims and Claims Expenses	33,475,274
Reinsurance Premiums	3,460,390
Contractual Services and Expense	1,485,092
Operating Expenses	104,105
Medical, Pharmacy Supplies/Dispensing	218,398
Administrative and Other Expenses	1,383,645
Amortization	67,668
Total Operating Expenses	40,194,572
OPERATING LOSS	(2,583,897)
NONOPERATING REVENUES (EXPENSES)	
Interest Income	314,057
Interest Expense	(32,332)
Total Nonoperating Revenues (Expenses)	281,725
CHANGE IN NET POSITION	(2,302,172)
Net Position - Beginning of Year	24,760,715
NET POSITION - END OF YEAR	$ 22,458,543

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
SHERIFF
STATEMENT OF CASH FLOWS – INTERNAL SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Payments for Claims and Claim-Related Services	$ (33,169,921)
Cash Payments for Reinsurance Premiums	(3,460,390)
Cash Payments for Administrative Services and Supplies	(1,383,645)
Cash Paid for Contractual Services, Operating Supplies, and Expenses	(1,807,595)
Cash Received from Other Funds for Services	37,610,675
Net Cash Used by Operating Activities	(2,210,876)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal Payments on Leases	(54,921)
Interest Payments on Leases	(32,332)
Net Cash Used by Capital and Related Financing Activities	(87,253)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income and Other	314,057
Net Cash Provided by Investing Activities	314,057
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,984,072)
Cash and Cash Equivalents - Beginning of Year	27,308,147
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 25,324,075
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	$ (2,583,897)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Amortization Expense	67,668
Increase in Self-Insurance Claims Payable	279,972
Increase in Accounts Payable	25,381
Net Cash Used by Operating Activities	$ (2,210,876)

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Lee County, Florida Sheriff (Sheriff) is an elected constitutional officer as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, *Florida Statutes,* the Sheriff's budget is submitted to the Lee County, Florida Board of County Commissioners (Board) for approval. The Sheriff is the chief law enforcement officer of Lee County, Florida (County) and is responsible also for operating the County's corrections and detention facilities.

Measurement Focus, Basis of Accounting, and Basis of Presentation

The financial statements include the general fund, special revenue funds and the proprietary fund (Internal Service Fund) of the Sheriff's office. The accompanying financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statute*s, and Section 10.550, *Rules of the Auditor General – Local Governmental Entity Audit*s, which allows the Sheriff to only present fund financial statements. These financial statements present only the portion of the funds of Lee County, Florida that are attributable to the Sheriff. They are not intended to present fairly the financial position and results of operations of Lee County, Florida in conformity with accounting principles generally accepted in the United States of America. There are no separate legal entities (component units) for which the Sheriff is financially accountable.

Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*, requires the Sheriff to only present fund financial statements. Accordingly, due to the omission of government-wide financial statements and related disclosures, including management's discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Sheriff as of September 30, 2023 and the changes in its financial position and its cash flows, where applicable, for the year then ended, in conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, but otherwise constitute financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

As a result of the budgetary oversight by the Board and the financial dependency on the Board, the financial activities of the Sheriff are included in the County's Annual Comprehensive Financial Report.

Transfers to the Sheriff's general fund are provided by appropriations from the Board pursuant to Florida Statutes. Estimated receipts and budgeted fund balances must equal appropriations. The Sheriff is required to refund to the Board all excess appropriations, annually; therefore, no unappropriated general fund balance is carried forward.

The fund financial statements report detailed information about the Sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance current liabilities of the fiscal year). For this purpose, the Sheriff considers revenues to be available if they are collected within 60 days after year-end with the exception of grants, which have a period of availability of one year. Grants are recognized as revenue as soon as all eligibility requirements have been met. Expenditures are recorded when the related fund liability is incurred, except for compensated absences and debt, which are recognized as expenditures to the extent they have matured.

Substantially all the Sheriff's revenue is appropriated by the Board. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, money must be expended on the specific purpose or project before any amounts will be paid to the Sheriff; therefore, revenue is recognized based upon expenditures incurred. In the other, money is virtually unrestricted and is revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, earlier if the "susceptible to accrual" criterion is met.

Other revenue is recognized as earned and becomes measurable and available to pay liabilities of the current period.

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenues were recognized. The amount of this distribution is recorded as a liability and as another financing use in the accompanying financial statements.

Capital outlays expended in the governmental fund operations are capitalized in the basic financial statements of the County rather than in the financial statements of the Sheriff.

The Sheriff has five major governmental funds:

General Fund – This fund is used to account for the general operations of the Sheriff and includes all transactions which are not accounted for in another fund.

Grants Fund – This fund is used to account for grants, donations, and miscellaneous revenues from other agencies intended to be used for specific purposes.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

Off-Duty Detail Fund – This fund is used to account for the contracted use of off-duty deputies. This fund bills for the services performed and pays the respective deputies and related operating and capital costs.

Canteen Fund – This fund is used to account for the financial activity of the Sheriff's canteen specific revenue sources that are legally restricted to specific purposes – inmate welfare.

Forfeitures Fund – This fund is used to account for the activities of the federal and local forfeiture funds. The federal forfeiture fund accounts for monies seized under federal laws and used in accordance with the U.S. Departments of Treasury and Justice guidelines. The local forfeiture fund accounts for monies seized locally.

Proprietary Fund

Internal Service Fund – This fund is used to account for the health, life, dental, and prescription insurance services provided to employees and dependents as well as retirees of the Sheriff on a cost-reimbursement basis. This fund also includes a health clinic which is funded utilizing a cost projection estimate. Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods. The operating revenues of the Sheriff consist of $37,936,050. Operating expenses include $35,686,628. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash

Cash includes cash on hand and demand deposits held by a financial institution (a qualified public depository).

For the purpose of the statement of cash flows, the Sheriff considers all highly liquid investments with a maturity of three months or less when purchased, to be cash equivalents.

Unearned Revenue

The Sheriff receives grant awards from various federal, state, and local agencies/individuals. These awards are recorded as unearned revenue until amounts have been earned or expended.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Employees of the Sheriff accumulate annual leave including sick and vacation time based on their number of years of continuous service. Upon termination of employment, employees can receive payment for accumulated leave if they meet certain criteria. Included in compensated absences are amounts for the related employment taxes that would be due upon termination of employees. The Sheriff does not, nor is he legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the financial statements of the Sheriff but, rather, is reported in the basic financial statements of the County.

Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net assets that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until then. In governmental funds, revenues not received within sixty days of year-end are deferred until collected as they do not meet the availability criteria. The Sheriff currently has unavailable revenue for intergovernmental receivables.

Use of Estimates

The preparation of these financial statements, in accordance with generally accepted accounting principles in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Fund Balance Reporting and Governmental Fund Type Definitions

Fund balances are classified either as nonspendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent.

Nonspendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Sheriff did not have any nonspendable fund balances as of September 30, 2023.

Spendable fund balances are classified based on a hierarchy of the Sheriff's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned, and unassigned. The Sheriff's fund balances for the Grant Special Revenue Fund, and Canteen Fund fall into this category.

Fund balance maintained in the Grants Fund and Canteen Fund are constrained for specific purposes that are externally imposed by donors, grantors, laws, or regulations or imposed by law through constitutional provisions or enabling legislation, and reported as restricted fund balance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

In May 2020, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The Sheriff 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 BUDGETARY PROCESS

Florida Statues 30.49 govern the preparation, adoption, and administration of the Sheriff's annual budget. The Sheriff prepares a budget for the general fund and submits it to the Board for approval. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except that the proceeds from leases and the related capital outlay are not budgeted and certain expenditures for long-term projects which are reimbursed by the Board are also not budgeted. Any subsequent amendments to the budget must be approved by the Board. The annual budget serves as the legal authorization for expenditures.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budgetary control is maintained at the departmental major object expenditure level. Budgetary changes within the major object expenditure categories are made at the discretion of the Sheriff.

The Sheriff's general fund is the only major fund with a legally adopted budget and the only fund required to have a legally adopted budget.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

NOTE 3 CASH

At September 30, 2023, the carrying value of the Sheriff's cash was as follows:

Type	Carrying Value	Credit Rating
Cash on Hand	$ 2,100	N/A
Demand Deposits	43,727,994	N/A
Total Cash	$ 43,730,094	

Custodial Credit Risk

At September 30, 2023, the Sheriff's demand deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the state Treasurer pursuant to Chapter 280, *Florida Statutes.* Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the government entity for the loss.

Credit Risk

The Sheriff's policy is to follow the guidance in Section 219.075, Florida Statutes regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, Florida Statutes, authorize the Sheriff to invest in the Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities; or interest-bearing time deposits or savings accounts in banks organized under the laws of the state of Florida, national banks organized under the laws of the United States and doing business and situated in the state of Florida, savings and loan associations which are under State supervision, or in federal savings and loan associations located in the state of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

Interest Rate Risk

The Sheriff's policy allows investments in individual certificates of deposit having staggered maturities and no maturity exceeding one year. The Sheriff had no such investments as of September 30, 2023 or during the year ended September 30, 2023.

NOTE 4 CAPITAL ASSETS

Capital assets used by the Sheriff are capitalized in the basic financial statements of the County rather than in the governmental funds of the Sheriff, except as noted below for right-to-use leased assets reported in the Sheriff's internal service fund. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Sheriff and are capitalized at cost in the basic financial statements of the County. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date received. The Sheriff maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense for these assets is recorded in the basic financial statements of the County.

The following is a summary of changes in capital assets which are reported in the basic financial statements of the County:

	Balance October 1, 2022	Additions Adjustments	Deletions	Balance September 30, 2023
Capital Assets not Being Depreciated:				
Construction in Progress	$ -	$ 1,719,130	$ -	$ 1,719,130
Total Capital Assets not Being Depreciated	-	1,719,130	-	1,719,130
Capital Assets Depreciated:				
Machinery and Equipment	82,113,680	13,237,163	(4,742,293)	90,608,550
Right-to-Use Leased Building	1,567,602	712,583	(642,339)	1,637,846
Right-to-Use Subscription-Based Information Technology Arrangement	-	962,480	-	962,480
Total Capital Assets Depreciated	83,681,282	14,912,226	(5,384,632)	93,208,876
Less: Accumulated Depreciation and Amortization				
Machinery and Equipment	(43,856,940)	(10,123,080)	3,675,163	(50,304,857)
Right-to-Use Leased Building	(208,126)	(220,085)	177,053	(251,158)
Right-to-Use Subscription-Based Information Technology Arrangement	-	(16,860)	-	(16,860)
Total Accumulated Depreciation and Amortization	(44,065,066)	(10,360,025)	3,852,216	(50,572,875)
Total Depreciable Capital Assets, Net	39,616,216	4,552,201	(1,532,416)	42,636,001
Total Capital Assets, Net	$ 39,616,216	$ 6,271,331	$ (1,532,416)	$ 44,355,131

NOTE 4 CAPITAL ASSETS (CONTINUED)

The following is a summary of changes in capital assets from the table above which are reported in Sheriff's basic financial statements in the internal service fund:

	Balance October 1, 2022	Additions Adjustments	Deletions	Balance September 30, 2023
Internal Service Fund				
Capital Assets Amortized:				
Right-to-Use Leased Building	$ 812,014	$ -	$ -	$ 812,014
Total Capital Assets Amortized	812,014	-	-	812,014
Less: Accumulated Amortization				
Right-to-Use Leased Building	(67,668)	(67,668)	-	(135,336)
Total Accumulated Amortization	(67,668)	(67,668)	-	(135,336)
Total Depreciable Capital Assets, Net	744,346	(67,668)	-	676,678
Total Internal Service Fund Capital Assets, Net	$ 744,346	$ (67,668)	$ -	$ 676,678

NOTE 5 LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term liabilities, which are reported in the basic financial statements of Lee County, Florida:

	Balance October 1, 2022	Additions	Retirements/ Adjustments	Balance September 30, 2023
Financed Purchase Obligations	$ 6,541,600	$ -	$ (1,244,021)	$ 5,297,579
Compensated Absences	18,294,219	11,300,599	(9,850,897)	19,743,921
Leases Payable	1,397,518	712,583	(749,121)	1,360,980
Subscription-Based Information Technology Arrangements Payable	-	924,985	(182,089)	742,896
Total	$ 26,233,337	$ 12,938,167	$ (12,026,128)	$ 27,145,376

Of these liabilities, $1,275,371 of financed purchase obligations, $187,928 of leases payable, $153,981 of subscription-based information technology arrangements payable, and approximately 50% of compensated absences is expected to be paid during the fiscal year ending September 30, 2024. These long-term liabilities are not reported in the financial statements of the Sheriff since they have not matured.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The following is a summary of the financed purchase obligations at September 30, 2023:

Description	Amount
$5,297,579 financed purchase obligation for the purchase of equipment of $12,643,649. The purchase agreement is payable in seven (7) annual payments of $1,408,870, including interest at a fixed rate of 2.52% beginning November 1, 2020. Final payment due on November 1, 2026.	$ 5,297,579
Total	$ 5,297,579

The annual debt service requirements at September 30, 2023 for financed purchase obligations were as follows:

Fiscal Year	Financed Purchase Obligation		
Year Ending September 30,	Total Principal	Total Interest	Total Payments
2024	$ 1,275,371	$ 133,499	$ 1,408,870
2025	1,307,510	101,360	1,408,870
2026	1,340,459	68,410	1,408,869
2027	1,374,239	34,631	1,408,870
Total	$ 5,297,579	$ 337,900	$ 5,635,479

NOTE 6 LEASES

The Sheriff leases assets that meet the definition of a lease under GASB Statement No. 87 – *Leases*. Except as noted below for the leases reported with these financial statements in the Sheriff's internal service fund, detailed information about the Sheriff's leases can be found in the Lee County, Florida financial statements.

Governmental Funds Lease Activity

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 lease terms are reported as debt service expenditures in the statement of revenues, expenditures, and changes in fund balance as they are incurred.

NOTE 6 LEASES (CONTINUED)

Governmental Funds Lease Activity (Continued)

During the year ended September 30, 2023, the Sheriff entered into three leases totaling $712,583. One lease was amended effective September 1, 2023, which resulted in it no longer meeting the reporting requirements of a lease. One lease was terminated during the year ended September 30, 2023 due to the underlying asset being destroyed.

During the year ended September 30, 2023, the Sheriff's payment of principal on leases totaled $201,603.

Internal Service Fund Lease Activity

The following is a summary of the long-term right-to-use lease obligations reported in the Sheriff's internal service fund at September 30, 2023:

Description	Amount
Lease payable for the use of a building in the amount of $812,014. The lease agreement is payable monthly in 144 monthly payments of $6,990, increasing 4% to $7,271 on October 1, 2023, at an interest rate of 4.4%. Final payment due on September 1, 2033.	$ 704,854
Total	$ 704,854

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

Year Ending September 30,	Total Principal	Total Interest	Total Payments
2024	$ 57,387	$ 29,865	$ 87,252
2025	59,964	27,289	87,253
2026	62,656	24,597	87,253
2027	65,469	21,783	87,252
2028	68,409	18,844	87,253
2029-2033	390,969	64,140	455,109
Total	$ 704,854	$ 186,518	$ 891,372

NOTE 7 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Sheriff has subscription arrangements that meet the definition of a subscription-based information technology arrangement (SBITA) under GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. Detailed information about the Sheriff's leases can be found in the Lee County, Florida financial statements.

NOTE 7 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

Governmental Funds Subscription Activity

SBITAs 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 SBITA 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 entered into two SBITAs in the amount of $924,985. During the year ended September 30, 2023, the Sheriff's payment of principal on subscriptions totaled $182,089.

NOTE 8 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 (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution 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 (FRS Plan and HIS) 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' Website (www.dms.myflorida.com).

NOTE 8 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (FRS 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 Officials 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.
- *Renewed Membership Class* – Members who retired from July 1, 1991 through June 30, 2010 and are reemployed in a regularly established position with a covered employer, upon vesting again, are eligible for an additional retirement benefit based on service as a renewed member. Retirees of the FRS Investment Plan who are employed on or after July 1, 2017 are eligible for renewed membership in the Investment Plan.

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 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. 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 8 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (FRS 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 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.

Detailed information about the Sheriff'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 (HIS)

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 September 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 Sheriff'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 8 PENSION PLANS (CONTINUED)

Defined Contribution 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. The 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 Officials, 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 September 30, 2023, the information for the amount of forfeitures was unavailable from the Florida 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 lumpsum 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 Sheriff's contributions, excluding employee contributions, to the defined-contribution pension plan totaled $31,740,903 for the year ended September 30, 2023, including HIS plan contributions. The Sheriff contributed 100% of the required contributions.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS

Defined Contribution Plan

The Sheriff follows the provisions of GASB Statement No 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for its other postemployment benefits (OPEB). The liability, expense, deferred outflows of resources and deferred inflows of resources for OPEB, calculated in accordance with GASB Statement No. 75, are reported in the financial statements of the County.

Plan Description

The Sheriff provides postretirement health care benefits in accordance with Section 112.0801, Florida Statutes to all employees who retire from the Sheriff. Retiring employees having 10 years creditable service with the Sheriff and having participated in the Florida Retirement System for 15 years meet the eligibility requirements. At September 30, 2022, 593 retirees meet the eligibility requirements. The Lee County Sheriff pays 75% of the premium cost for the qualified retiree and 50% of the premium costs for dependents of a qualified retiree to participate in the Self-Insurance Benefit Plan.

The Sheriff also pays an additional 5% of the premium cost for each year of creditable service over 15 years up to 100% of the premium cost. Expenditures for postretirement health care benefit cannot be reasonably estimated, as the claim information is estimated without separating the retirees from the active employees.

Participant Data

At the September 30, 2022 valuation date, the Sheriff's plan participation consisted of:

Active employees	1,591
Inactive employees or beneficiaries currently receiving benefit payments	593

Funding Policy

The Sheriff has the authority to establish and amend the funding policy. The OPEB plan is currently being funded on a pay as you go basis. No trust fund has been established for the plan.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Total OPEB Liability

The Sheriff's OPEB liability of $213,762,414 was measured as of September 30, 2022 and was determined by an actuarial valuation as of September 30, 2022. The following table shows the changes in the Sheriff's total OPEB liability for the year ended September 30, 2023, as of the measurement date of September 30, 2022.

	Liability
Balance, as of October 1, 2021	$ 270,056,857
Changes:	
Service Cost	8,303,668
Interest	6,032,151
Differenced Between Expected and Actual Experience	21,116,830
Changes in Assumptions or Other Inputs	(85,907,444)
Benefit Payments	(5,839,648)
Net Changes	(56,294,443)
Balance, as of September 30, 2022	$ 213,762,414

The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB 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:

	1% Decrease 3.40%	Discount Rate 4.40%	1% Increase 5.40%
Total OPEB Liability	$ 247,148,081	$ 213,762,414	$ 186,237,098

The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using health care cost trend rates that are 1% point lower or 1% point higher than the current health care cost trends.

	Health Care Rate Sensitivity		
	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Total OPEB Liability	$ 179,727,996	$ 213,762,414	$ 257,169,172

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the Sheriff's OPEB expense was $4,069,511. In addition, the Sheriff reported deferred outflow of resources and deferred inflow of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 28,418,526	$ -
Changes in Assumptions and Other Inputs	50,433,088	171,847,399
Benefits Paid Subsequent to the Measurement Date	6,641,257	-
Total	$ 85,492,871	$ 171,847,399

$6,641,257 reported as deferred outflows of resources related to OPEB resulting from the Sheriff's benefit payments subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended September 30, 2024. Amounts reported as deferred inflows of resources and deferred outflows of resources as an increase/decrease to OPEB expense will be recognized as follows:

Year Ending September 30,	Net Deferred (In)/Outflows of Resources
2024	$ (10,266,308)
2025	(10,266,308)
2026	(10,266,308)
2027	(11,474,519)
2028	(12,375,278)
Thereafter	(38,347,064)

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Calculations for financial reporting purposes are based on the benefits provided under terms of the plan as understood by the employer and the plan members in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Methods and Assumptions (Continued)

The actuarial methods are:

Actuarial cost method	Entry Age Normal

The actuarial assumptions are:

Discount rate	4.40% (Based on 20-year AA municipal bond rate)
Health care cost trend rate	Based on the Getzen Model, with trend starting at 6.50% for 2023 followed by 6.25% for 2024 and gradually decreasing to an ultimate trend rate of 4.00%.
Inflation	2.25%
Salary increases	3.4% - 8.2%, including inflation

Mortality rates were based on the Pub 2010 mortality tables published by the Society of Actuaries with generational mortality improvements using Scale MP-2018.

The following changes have been made since the prior year valuation:

- The discount rate was changed from 2.19% to 4.40%
- Per capita costs and premiums were updated based on information provided for this valuation
- The healthcare cost trend assumption was updated

NOTE 10 RISK MANAGEMENT

The Sheriff participates in the Florida Sheriff's Association (the Association) insurance program. The Association maintains a self-insurance program to administer insurance activities relating to property, general, automobile, public official's liability, workers' compensation, and auto physical damage. The Association absorbs losses related to these programs up to an aggregate annual limit. Excess and other specific coverages are purchased from third-party carriers. The Sheriff participates in the Association's self-insurance program for general, automobile, automobile physical damage, public official's liability, and workers' compensation. The Sheriff cannot be additionally assessed for claims paid by the program. For the fiscal year ended September 30, 2023, the Sheriff paid premiums of $7,018,529 to the Association's insurance program.

NOTE 10 RISK MANAGEMENT (CONTINUED)

The Sheriff has a self-insurance plan (the Plan) for its in-house medical clinic, group health, life, prescription, and dental coverage provided to employees and their dependents as well as retirees. The Sheriff is the plan administrator and a third party acts as the claim administrator. The Plan's activity is recorded in an internal service fund which is reflected within these financial statements. CIGNA serves as the third-party administrator for the Sheriff for this coverage and to operate the employee clinic. As of September 30, 2023, the Plan has an individual participant stop-loss limit of $200,000 and an unlimited aggregate individual stop-loss limit. The Plan then covers losses in excess of this amount. Settled claims have not exceeded the stop-loss coverage in any of the past three years.

The Sheriff's Office uses a Third-Party Administrator (TPA) CIGNA to administer and pay claims for the health plan.

Changes in the balance of estimated self-insurance claims payable for the fiscal years ended September 30 are as follows:

Year Ended	Balance October 1	Additions	Claim Payments	Balance September 30
2023	$ 2,389,609	$ 33,755,246	$ 33,475,274	$ 2,669,581
2022	2,362,922	29,388,693	29,362,006	2,389,609

The Board maintains a self-insurance internal service fund (the Fund) to administer insurance activities relating to group health, life, prescription, dental coverage, property, general liability, automobile and public official's liability, workers' compensation, and auto physical damage. The Sheriff participates in the Board's self-insurance program for property coverage only. As such, the Board paid the Fund $705,497 on behalf of the Sheriff for this coverage. The Fund absorbs losses up to a specified amount annually. Excess and other specific coverages are purchased from third party carriers.

NOTE 11 COMMITMENTS AND CONTINGENCIES

Commitments

The Sheriff has agreements with a corporation for the provision of inmate medical services and food services at its corrections and detention facilities which is accounted for in the general fund. The contracts are paid 100% by the Sheriff through its annual budget.

The contract for inmate medical services ends on September 30, 2024, is renewable for an additional two (2) year term and is cancellable with 120 days written notice. The contract calls for minimum payment to the provider of approximately $691,513 and $715,829 per month through September 30, 2023 and 2024, respectively.

NOTE 11 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Commitments (Continued)

The original term of the contract for inmate food service ended on January 31, 2022 and may be renewed for two (2) successive one (1) year periods. The first renewal was executed on December 1, 2021 for the period through January 31, 2023, and the second renewal was executed on December 1, 2022 for the period through January 31, 2024. The food services are based on a cost per meal per inmate basis, and the future contract commitment is estimated at approximately $3,100,000 per year based on the results of the current year. No liability is recorded in the general fund's statements, as any future commitment will be budgeted and paid from the subsequent year's budget.

For the fiscal year ended September 30, 2023, the Sheriff paid $16,283,957 for inmate medical services and $3,087,242 for food service at its corrections and detention facilities.

The Sheriff also has an agreement with a corporation to arrange for medical staff, including doctors, to be located at a site (clinic) designated by the Sheriff to provide medical services to the employees and their dependents and retirees of the Sheriff which is accounted for in the internal service fund. The agreement was renewed effective in July 1, 2016 for a three-year term that automatically renews thereafter unless it is cancelled with a 120-day written notice. The agreement automatically renews unless cancelled in writing. Specific to this contract no liability is recorded in the internal service fund statements, as any future commitment will be budgeted and paid from the subsequent year's budget.

The Sheriff has a purchase agreement with a corporation for the financed purchase of a helicopter in the amount of $6,097,924. The helicopter was originally scheduled to be delivered during the fiscal year ended September 30, 2023, but due to delays has not yet been delivered. This purchase agreement calls for ten (10) annual payments of $746,353 beginning upon delivery in the fiscal year ended September 30, 2024.

Litigation

The Sheriff is involved from time to time in certain routine litigation, as a plaintiff or defendant, the substance of which, as either liabilities or recoveries in the opinion of management, would not materially affect the financial position of the Sheriff. The Sheriff is not in a position at this time to predict the final outcome of the lawsuits or claims or the amount of costs and/or potential recovery. The Sheriff plans to vigorously contest these matters unless first settled or closed. Results of such claims are covered by the Florida Sheriff's Risk Management Fund described in Note 8.

Grants

The Sheriff is the recipient of grants that are subject to special compliance requirements and audits by the grantor agencies that may result in disallowed expense amounts. These amounts constitute a contingent liability of the Sheriff. The Sheriff does not believe any contingent liabilities to be material to the financial statements.

NOTE 12 DEFERRED COMPENSATION

The Sheriff offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time Sheriff employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants or their estate until termination, retirement, death, or unforeseeable emergency. The Sheriff did not make employer contributions during the year ended September 30, 2023.

NOTE 13 INTERFUND BALANCES

Due from and due to other funds at September 30, 2023 were as follows:

	Due From	Due To
General Fund	$ 1,090,387	$ -
Grants Fund	-	892,453
Off-Duty Detail Fund	-	197,934
	$ 1,090,387	$ 1,090,387

Interfund receivables and payables generally represent recurring activities between funds.

NOTE 14 FUND BALANCE DEFICIT

The following fund had a fund balance deficit as of September 30, 2023.

Grants Fund	$ (832,916)

The deficit in the Grants Fund is due to the timing of revenues collected and recognized for the school resource officer program. This deficit will be resolved in 2024.

REQUIRED SUPPLEMENTARY INFORMATION

LEE COUNTY, FLORIDA
SHERIFF
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS[1]
SEPTEMBER 30, 2023

	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability, as of Measurement Date, September 30							
Service Cost	$ 8,303,668	$ 7,477,479	$ 9,815,772	$ 7,313,259	$ 9,900,653	$ 10,833,849	$ 8,466,020
Interest	6,032,151	6,206,678	8,527,224	9,372,912	10,022,898	9,023,558	9,205,476
Differences between Expected and Actual Experience	21,116,830	-	9,583,278	-	4,210,799	-	-
Changes in Assumptions or Other Inputs	(85,907,444)	9,059,482	(72,808,506)	51,094,419	(58,471,288)	(22,770,911)	31,575,012
Benefit Payments	(5,839,648)	(5,495,613)	(5,148,095)	(4,703,447)	(4,737,788)	(4,606,828)	(5,098,879)
Net Change in Total OPEB Liability	(56,294,443)	17,248,026	(50,030,327)	63,077,143	(39,074,726)	(7,520,332)	44,147,629
Total OPEB Liability, Beginning	270,056,857	252,808,831	302,839,158	239,762,015	278,836,741	286,357,073	242,209,444
Total OPEB Liability, Ending	$ 213,762,414	$ 270,056,857	$ 252,808,831	$ 302,839,158	$ 239,762,015	$ 278,836,741	$ 286,357,073
Covered-Employee Payroll	106,362,194	102,360,168	89,930,297	60,396,265	65,943,371	68,225,885	66,951,582
Total OPEB Liability as a Percentage of Covered-Employee Payroll	200.98%	263.83%	281.12%	501.42%	363.59%	408.70%	427.71%

Notes to Schedule

Changes in Assumptions:

The discount rate was changed from 2.19% as of the previous measurement date to 4.40%.

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

ADDITIONAL REPORTS

CliftonLarsonAllen LLP
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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 Carmine Marceno
Sheriff
Lee 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 Lee County, Florida 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 5, 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. 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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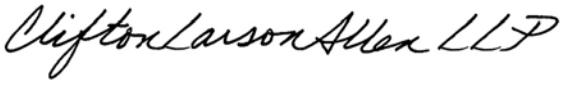
Honorable Carmine Marceno
Sheriff
Lee County, Florida

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*.

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

Fort Myers, Florida
February 5, 2024

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MANAGEMENT LETTER

Honorable Carmine Marceno
Sheriff
Lee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Lee County, Florida Sheriff (Sheriff), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated February 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 Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and our 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 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.

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Honorable Carmine Marceno
Sheriff
Lee County, Florida

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 have 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, and the Sheriff 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

Fort Myers, Florida
February 5, 2024

INDEPENDENT ACCOUNTANTS' REPORT

Honorable Carmine Marceno
Sheriff
Lee County, Florida

We have examined the Lee County, Florida Sheriff's (Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Sheriff's compliance with those 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

Fort Myers, Florida
February 5, 2024

LEE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2023



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LEE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
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INDEPENDENT AUDITORS' REPORT

Honorable Tommy Doyle
Supervisor of Elections
Lee County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the general fund of the Lee County, Florida, Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements 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 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 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 Lee 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 Lee County, Florida 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 Lee County, Florida, as of September 30, 2023, or 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 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 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 Supervisor of Election's internal control. Accordingly, no such opinion is expressed.

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

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.

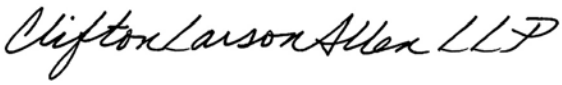
Honorable Tommy Doyle
Supervisor of Elections
Lee County, Florida

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 opinions on the basic financial statements are 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 November 28, 2023, 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

Fort Myers, Florida
November 28, 2023

LEE COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
BALANCE SHEET – GENERAL FUND
SEPTEMBER 30, 2023

ASSETS

Cash	$ 1,558,097
Accounts Receivable	809
Total Assets	$ 1,558,906

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts Payable	$ 87,827
Accrued Liabilities	212,512
Due to the Lee County, Florida Board of County Commissioners	1,258,567
Total Liabilities	1,558,906
FUND BALANCE	-
Total Liabilities and Fund Balance	$ 1,558,906

See accompanying Notes to Financial Statements.

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

REVENUES	
Charges for Services	$ 135,522
Intergovernmental	201,776
Miscellaneous Revenue	33,400
Total Revenues	370,698
EXPENDITURES	
General Government:	
Personnel Services	5,711,254
Operating Expenditures	3,974,900
Capital Outlay	325,326
Total Expenditures	10,011,480
Excess of Expenditures Over Revenues	(9,640,782)
OTHER FINANCING SOURCES (USES)	
Lee County, Florida, Board of County Commissioners Appropriations	10,899,349
Distribution of Excess Appropriations to the Lee County, Florida Board of County Commissioners	(1,258,567)
Total Other Financing Sources	9,640,782
NET CHANGE IN FUND BALANCE	-
Fund Balance – Beginning of Year	-
FUND BALANCE - END OF YEAR	$ -

See accompanying Notes to Financial Statements.

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

	Budget			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Charges for Services	$ -	$ -	$ 135,522	$ 135,522
Intergovernmental	-	-	201,776	201,776
Miscellaneous Revenue	-	-	33,400	33,400
Total Revenues	-	-	370,698	370,698
EXPENDITURES				
General Government:				
Personnel Services	6,274,757	6,274,757	5,711,254	563,503
Operating Expenditures	4,624,592	4,624,592	3,974,900	649,692
Capital Outlay	-	-	325,326	(325,326)
Total Expenditures	10,899,349	10,899,349	10,011,480	887,869
Excess of Expenditures Over Revenues	(10,899,349)	(10,899,349)	(9,640,782)	1,258,567
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Lee County, Florida Board of County Commissioners Appropriations	10,899,349	10,899,349	10,899,349	-
Transfers out:				
Distribution of Excess Appropriations to the Lee County, Florida Board of County Commissioners	-	-	(1,258,567)	(1,258,567)
Total Other Financing Sources	10,899,349	10,899,349	9,640,782	(1,258,567)
Excess of Expenditures and Other Financing Uses Over Revenues and Other Financing Sources	-	-	-	-
Fund Balance – Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Lee County, Florida Supervisor of Elections (the Supervisor of Elections) is an elected constitutional officer as provided for by the Constitution of the state of Florida. For financial reporting purposes the Supervisor of Elections is deemed to be part of the primary government of Lee County, Florida (the County) and, therefore, is included as such in the County's annual comprehensive financial report (ACFR). Pursuant to Chapter 129.202(1)(a), Florida statutes, the Supervisor of Elections' Board of County Commissioners funded portion of the budget is submitted to the Lee County, Florida Board of County Commissioners (the Board) for approval.

Measurement Focus, Basis of Accounting, and Basis of Presentation

The financial statements presented include the general fund of the Supervisor of Elections. The accompanying 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 Lee 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 Lee County, Florida in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Supervisor of Elections, as a constitutional officer, are included in the Lee County, Florida Annual Comprehensive Financial Report.

Transfers-in are provided by appropriations from the Board pursuant to Florida Statutes and are the Supervisor of Elections primary source of revenue. The Supervisor of Elections is required to refund to the Board all excess appropriations annually; therefore, no unappropriated fund balance is, generally, carried forward.

Florida statutes provide that the amount by which revenues and transfers exceed annual expenditures (excess fees) be remitted to the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenues were recognized. The amount of this transfer is recorded as a liability and as other financing use in the accompanying financial statements.

Capital outlays expended in the General Fund operations are capitalized in the basic financial statements of the County rather than in the governmental funds of the Supervisor of Elections.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The modified accrual basis of accounting is used by the General Fund, which accounts for all the general operations of the Supervisor of Elections. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available to finance current liabilities of the fiscal year. For this purpose, the Supervisor of Elections considers revenues to be available if they are collected within 60 days of the end of the current period. Grant revenues are considered available if collected within one year of the current period. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures only to the extent they have matured and were paid.

Investment return and other revenues are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Governmental Funds

The Supervisor of Elections' only governmental fund and only fund is the General Fund. The General Fund is used to account for all the general operations of the Supervisor of Elections.

Compensated Absences

Under the Supervisor of Elections' policy, certain employees may utilize discretionary time off. This benefit is not accrued by employees but rather available for use within specified limitations as defined by internal personnel policies.

Employees who separate from the office, through either resignation, termination or retirement will be eligible for payment of a portion of their unused PTO accruals. PTO accruals will be paid out at fifty percent (50%) for employees with less than ten (10) years of continuous service, seventy-five percent (75%) for employees who have completed ten (10) or more years of continuous service.

Use of Estimates

The preparation of the financial statements, in accordance with generally accepted principles in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

In May 2020, GASB introduced a new standard, Statement No 96 Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The Supervisor of Elections adopted the requirements of the guidance in 2023.

NOTE 2 BUDGETARY PROCESS

Florida statutes Chapter 129.201 governs the preparation, adoption, and administration of the Supervisor of Elections' annual budget. The Supervisor of Elections submits its original budget for the General Fund to the Board for approval. Funding received from sources other than the Board as well as the respective expenditures do not require Board approval. The Supervisor of Elections has the authority to reallocate the budget between line items without further Board approval. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures. Substantially all subsequent amendments to the Supervisor of Elections' total budget must be approved by the Board.

Expenditures may not legally exceed appropriations at the fund level. Distributions of excess appropriations are not considered expenditures. Appropriations lapse at year-end. Budgetary control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Supervisor of Elections.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other changes applicable to the fiscal year, whenever legally authorized.

The Supervisor of Elections' exceeded appropriations related to capital outlay. Expenditures were made by the Supervisor of Elections for the purchase of a vehicle, election equipment, and a battery backup system; however, the budget was not amended for these additional capital outlay expenditures.

NOTE 3 CASH

At September 30, 2023, the carrying value of the Supervisor of Elections' cash was as follows:

Type	Carrying Value	Credit Rating
Cash:		
Cash on Hand	$ 250	N/A
Demand Deposits	1,557,847	N/A
Total Cash	$ 1,558,097	

Custodial Credit Risk

At September 30, 2023, the Supervisor of Elections' deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Supervisor of Elections' policy is to follow the guidance in Section 219.075, Florida statutes, regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, Florida statutes, authorize investment in Florida PRIME (formerly the Local Government Surplus Funds Trust Fund) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the state of Florida, savings and loan associations which are under state supervision, or in federal savings and loan associations located in the state of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law. The pool is administered by the State Treasurer, who may make additional assessments to ensure that no public funds will be lost.

Interest Rate Risk

There is no specific policy regarding interest rate risk. The Supervisor of Elections held no such investments at September 30, 2023.

NOTE 4 CAPITAL ASSETS

Capital assets used by the Supervisor of Elections are reported in the basic financial statements of the County rather than in the governmental funds of the Supervisor of Elections. Upon acquisition, such assets are recorded as expenditures in the General Fund of the Supervisor of Elections and are capitalized at cost in the basic financial statements of the County. Capital assets are valued at acquisition cost or estimated acquisition cost if actual acquisition cost is not available. Donated capital assets are valued at their estimated acquisition cost on the date received. The Supervisor of Elections maintains custodial responsibility for the capital assets used by the Supervisor of Elections. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense is recorded in the basic financial statements of the County.

NOTE 5 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities, specific to the Supervisor of Elections, which are reported in the basic financial statements of the County:

	October 1, 2022	Additions	Retirements	September 30, 2023
Compensated Absences	$ 150,368	$ 185,633	$ (209,453)	$ 126,548

The entire balance outstanding at September 30, 2023 is expected to be paid during the fiscal year ended September 30, 2024. These long-term liabilities are not reported in the financial statements of the Supervisor of Elections since they have not matured.

NOTE 6 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 (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution 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 6 PENSION PLANS (CONTINUED)

Background (Continued)

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, multiple-employer defined benefit plans (FRS Plan and HIS) 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' Website (www.dms.myflorida.com).

Florida Retirement System Pension Plan (FRS 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 Officials 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 6 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.

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (FRS 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 8 years after electing to participate. 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.

Detailed information about the Supervisor of Elections' 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 (HIS)

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 6 PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (HIS) (continued)

Benefits Provided

For the fiscal year ended September 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 Supervisor of Elections' 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.

Defined Contribution 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. 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 Officials, 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 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.

NOTE 6 PENSION PLANS (CONTINUED)

Defined Contribution 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 fiscal year ended September 30, 2023, the information for the amount of forfeitures was unavailable from the Florida 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.

Contributions

The Supervisor of Elections' contributions excluding employee contributions to the defined benefit pension plans totaled $540,672 for the year ended September 30, 2023. The Supervisor of Elections contributed 100% of the required contributions.

NOTE 7 OTHER POSTEMPLOYMENT BENEFITS

The Supervisor of Elections provides postretirement health care benefits in accordance with Section 112.0801, Florida statutes, to all employees who retire from the Supervisor of Elections. The Supervisor of Elections pays 50 percent of the premium cost for the retiree to participate in the County's self-insurance fund. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

NOTE 8 RISK MANAGEMENT

The Supervisor of Elections is exposed to various risks of loss, including general liability, health, dental, disability and life, property and casualty, auto and physical damage, and workers' compensation. A self-insurance internal service fund is maintained by the Board to administer insurance activities. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. As such, the Supervisor of Elections participates in the Board's self-insurance fund. During the year ended September 30, 2023, the Supervisor of Elections paid $871,853, including $80,259 paid by employees and $791,594 paid by the Supervisor of Elections, to the Board for health, life, dental, EAP and disability in the risk management program. The Board paid $107,366 to the self-insurance fund on behalf of the Supervisor of Elections for general liability, property and casualty, and workers' compensation.

Under this program, the Board provides coverage for group health, dental, general liability claims, and workers' compensation. The Board purchases commercial insurance for claims in excess of coverage provided by the risk management program and all other risks of loss. There have been no significant reductions in insurance coverage in the last fiscal year. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

NOTE 9 CLAIMS AND CONTINGENCIES

The Supervisor of Elections is routinely involved as defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. In the opinion of the Supervisor of Elections and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Supervisor of Elections.

NOTE 10 DEFERRED COMPENSATION

The Supervisor of Elections offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time Supervisor of Elections employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation balance is not available to participants or their estate until termination, retirement, death, or unforeseeable emergency. The Supervisor of Elections made no employer contributions during the year ended September 30, 2023.

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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 Tommy Doyle
Supervisor of Elections
Lee 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 Lee County, Florida Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements, and have issued our report thereon dated November 28, 2023.

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.

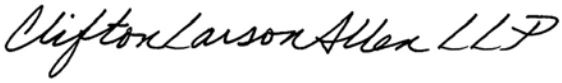
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Report on Compliance and Other Matters

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 Supervisor of Elections' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Fort Myers, Florida
November 28, 2023

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MANAGEMENT LETTER

Honorable Tommy Doyle
Supervisor of Elections
Lee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Lee County, Florida Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2023, and have issued our report thereon dated November 28, 2023.

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 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* 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 November 28, 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. 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.

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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 note 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 Supervisor of Elections 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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Fort Myers, Florida
November 28, 2023

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Tommy Doyle
Supervisor of Elections
Lee County, Florida

We have examined the Lee County, Florida, Supervisor of Elections' (the Supervisor of Elections) compliance with Section 218.415, Florida statutes, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the Supervisor 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Myers, Florida
November 28, 2023

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LEE COUNTY, FLORIDA
TAX COLLECTOR

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2023



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LEE COUNTY, FLORIDA
TAX COLLECTOR
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INDEPENDENT AUDITORS' REPORT

Honorable Noelle Branning
Tax Collector
Lee 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 Lee County, Florida, Tax Collector (the 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 as of September 30, 2023, and the respective changes in financial position and where applicable, cash flows thereof, 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 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 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, the changes in financial position, and, where applicable, cash flows of only that portion of the general fund and the aggregate remaining fund information of Lee County, Florida that is attributable to the transactions of the Tax Collector. They do not purport to, and do not, present fairly the financial position of Lee County, Florida as of September 30, 2023 or 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, effective October 1, 2022, the Tax Collector adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard requires governments to recognize a right-to-use subscription-based information technology arrangement asset and corresponding subscription-based information technology arrangement liability for all arrangements with terms greater than 12 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.

Honorable Noelle Branning
Tax Collector
Lee County, Florida

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 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 Tax Collector's basic financial statements. The combining custodial fund 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 custodial fund 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 December 19, 2023, 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.

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Fort Myers, Florida
December 19, 2023

FINANCIAL STATEMENTS

LEE COUNTY, FLORIDA
TAX COLLECTOR
BALANCE SHEET – GENERAL FUND
SEPTEMBER 30, 2023

ASSETS

Cash and Cash Equivalents	$ 1,697,445
Investments	10,195,295
Accounts Receivable	60,105
Total Assets	$ 11,952,845

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts Payable	$ 1,280,693
Accrued and Other Liabilities	793,493
Due to Other Governmental Units	1,192,416
Due to Lee County, Florida, Board of County Commissioners	8,686,243
Total Liabilities	11,952,845
FUND BALANCE	-
Total Liabilities and Fund Balance	$ 11,952,845

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

REVENUES	
Commissions and Fees:	
Lee County, Florida, Board of County Commissioners	$ 24,466,051
Other Governmental Units	6,147,256
Charges for Services	7,215,168
Interest	852,315
Miscellaneous	31,292
Total Revenues	38,712,082
EXPENDITURES	
General Government:	
Personnel Services	22,774,086
Operating	6,443,792
Capital Outlay	1,210,231
Debt Service - Principal	771,570
Debt Service - Interest	3,213
Total Expenditures	31,202,892
EXCESS OF REVENUES OVER EXPENDITURES	7,509,190
OTHER FINANCING USES	
Distribution of Excess Commissions and Fees to Other Governmental Units	(1,192,416)
Distribution of Excess Commissions and Fees to Lee County, Florida, Board of County Commissioners	(6,316,774)
Total Other Financing Uses	(7,509,190)
NET CHANGE IN FUND BALANCE	-
Fund Balance - Beginning of Year	-
FUND BALANCE - END OF YEAR	$ -

See accompanying Notes to Financial Statements.

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

	Budget			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Commissions and Fees:				
Board of County Commissioners	$ 24,055,446	$ 24,055,446	$ 24,466,051	$ 410,605
Other Governmental Units	5,565,560	5,615,560	6,147,256	531,696
Charges for Services	5,281,578	5,281,578	7,215,168	1,933,590
Interest	8,703	8,703	852,315	843,612
Miscellaneous	37,744	37,744	31,292	(6,452)
Total Revenues	34,949,031	34,999,031	38,712,082	3,713,051
EXPENDITURES				
General Government:				
Personnel Services	24,506,299	23,506,299	22,774,086	732,213
Operating	5,902,417	7,591,677	6,443,792	1,147,885
Capital Outlay	2,100,355	1,411,095	1,210,231	200,864
Debt Service - Principal	-	-	771,570	(771,570)
Debt Service - Interest	-	-	3,213	(3,213)
Total Expenditures	32,509,071	32,509,071	31,202,892	1,306,179
EXCESS OF REVENUES OVER EXPENDITURES	2,439,960	2,489,960	7,509,190	5,019,230
OTHER FINANCING USES				
Distribution of Excess Commissions and Fees to Other Governmental Units	-	-	(1,192,416)	(1,192,416)
Distribution of Excess Commissions and Fees to the Lee County, Florida, Board of County Commissioners	-	-	(6,316,774)	(6,316,774)
Total Other Financing Uses	-	-	(7,509,190)	(7,509,190)
NET CHANGES IN FUND BALANCE	2,439,960	2,489,960	-	(2,489,960)
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ 2,439,960	$ 2,489,960	$ -	$ (2,489,960)

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF NET POSITION – INTERNAL SERVICE FUND
SEPTEMBER 30, 2023

ASSETS	
Current Assets:	
Cash Equivalents	$ 1,000,000
Total Current Assets	1,000,000
Total Assets	$ 1,000,000
LIABILITIES	
Total Liabilities	-
Net Position	
Unrestricted	1,000,000
Total Net Position	$ 1,000,000

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF REVENUES, EXPENSES, AND
CHANGE IN NET POSITION – INTERNAL SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2023

OPERATING REVENUES	
Charges for Services	$ 1,000,000
Total Operating Revenues	1,000,000
OPERATING EXPENSES	
Total Operating Expenses	-
OPERATING INCOME	1,000,000
CHANGE IN NET POSITION	1,000,000
Net Position - Beginning of Year	-
NET POSITION - END OF YEAR	$ 1,000,000

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF CASH FLOW – INTERNAL SERVICE FUND
SEPTEMBER 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Other Funds for Services	$ 1,000,000
Net Cash Provided by Operating Activities	1,000,000
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,000,000
Cash and Cash Equivalents - Beginning of Year	-
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,000,000
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	$ 1,000,000
Net Cash Provided by Operating Activities	$ 1,000,000

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

	Custodial Funds
ASSETS	
Cash and Cash Equivalents	$ 3,998,593
Investments	15,838,448
Accounts Receivable	17,493
Due from Other Governmental Units	1,136,958
Total Assets	$ 20,991,492
LIABILITIES	
Due to Individuals	$ 1,288,476
Due to Other Governmental Units	19,703,016
Total Liabilities	20,991,492
FIDUCIARY NET POSITION	$ -

See accompanying Notes to Financial Statements.

LEE COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

	Custodial Funds
ADDITIONS	
Tax Collections for Other Governments	$ 1,453,166,842
License and Fees Collected for Other Governments	79,070,936
Miscellaneous	5,658,082
Total Revenues	1,537,895,860
DEDUCTIONS	
Payments of Tax to Other Governments	1,458,824,924
Payments to Other Governments	79,070,936
Total Expenditures	1,537,895,860
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

Financial Reporting Entity

The Lee County, Florida, Tax Collector (the Tax Collector) is an elected constitutional officer as provided for by the Constitution of the State of Florida. For financial reporting purposes, the Tax Collector is deemed to be part of the primary government of Lee County, Florida (the County) and, therefore, is included as such in the County's Annual Comprehensive Financial Report (ACFR). Pursuant to Section 195.087, Florida Statutes, the Tax Collector's budget is submitted to the Florida Department of Revenue for approval, and a copy is forwarded to the Lee County, Florida, Board of County Commissioners (the Board).

Measurement Focus, Basis of Accounting, and Basis of Presentation

The 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 Lee County, Florida that are attributable to the Tax Collector. They are not intended to present fairly the financial position and results of operations of Lee County, Florida in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Tax Collector, as a constitutional officer, are included in the Lee County, Florida Annual Comprehensive Financial Report.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance current liabilities of the fiscal year). For this purpose, the Tax Collector considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures are recorded when the related fund liability is incurred, except for debt service and compensated absences, which are recognized as expenditures only to the extent they have matured and were paid.

Investment return (interest income) and other revenue are recognized in the General Fund as they are earned and become measurable and available to pay liabilities of the current period.

The majority of the Tax Collector's General Fund revenue is received from taxing authorities (governmental units). These monies are unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt or earlier if the "susceptible to accrual" criterion is met.

Florida Statutes provide that the amount by which revenues exceed annual expenditures be remitted to each governmental agency immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenues were recognized.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Florida Statutes further provide that the excess of revenues over expenditures (excess fees) held by the Tax Collector be distributed to each governmental agency (taxing authorities) in the same proportion as the commissions and fees paid by each governmental agency bear to total commission and fee revenue. The amounts of these distributions are recorded as liabilities and as other financing uses in the accompanying financial statements.

Capital outlays expended in the General Fund operations are capitalized in the basic financial statements of the County rather than in the governmental funds of the Tax Collector.

Governmental Funds

The Tax Collector's only governmental fund is the General Fund which is considered a major fund. The General Fund is used to account for the general operations of the Tax Collector and includes all transactions not accounted for in another fund.

Proprietary Funds

Internal Service Fund – This fund is used to account for the health, life, dental, and prescription insurance services provided to employees and dependents as well as retirees of the Tax Collector on a cost-reimbursement basis. Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Proprietary funds distinguished operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods. The Internal Service Fund was created during 2023.

Fiduciary Funds

Custodial Funds – These funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, and other governments. Custodial funds are accounted for using the accrual basis of accounting.

Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of three months or less and are carried at cost.

Prepaid Items

Some payments to vendors represent costs applicable to future accounting periods. Prepaids are not recorded in governmental funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Investments

The Tax Collector adheres to GASB Statement No. 72, *Fair Value Measurement and Application*. This Standard applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. This Standard emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. This Standard establishes a fair value hierarchy which consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Tax Collector has the ability to access. At September 30, 2023, the Tax Collector held no such investments using such inputs.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices or securities with similar characteristics, or discounted cash flows. At September 30, 2023, the Tax Collector held no such investments using such inputs.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity. At September 30, 2023, the Tax Collector held no such investments using such inputs.

Instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Compensated Absences

Full-time employees of the Tax Collector accumulate paid time off (PTO) based on their number of years of continuous service. Employees can accumulate PTO not to exceed 560 hours. Upon termination of employment, employees who have completed their initial probationary period will be eligible for payment of a portion of their unused PTO accruals based on their length of service. Payments for PTO are included in operating costs when the payments are made to the employee. The Tax Collector does not, nor is she legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in these financial statements of the Tax Collector's General Fund but, rather, is reported in the basic financial statements of the County.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Other Taxes

Property taxes, both ad valorem and non-ad valorem in Lee County, Florida are levied by the Board and other taxing authorities. The millage levies are determined on the basis of estimates of revenue needs and the total taxable valuations within the jurisdiction of the Board and other taxing authorities. No aggregate ad valorem tax millage in excess of 10 mills per $1,000 of value can be levied by the Board against property in Lee County, Florida as specified in Section 200.071, Florida Statutes.

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

Chapter 197, Florida Statutes, Governs Property Tax Collections

Current Taxes

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

Unpaid Taxes – Sale of Tax Certificates

The Tax Collector advertises, as required by Florida Statutes, and sells tax certificates on all real property for unpaid taxes. The land is struck off the tax roll to the purchaser of the tax certificate. Certificates not sold are struck off to Lee County, Florida. The Tax Collector must receive payment before the certificates are delivered. Any person owning land upon which a tax certificate has been sold may redeem the tax certificate by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.

Tax Deeds

Two years after the purchase of a tax certificate, the certificate owner may file an application for tax deed sale. Lee County, Florida as a certificate owner, exercises similar procedures. Tax deeds are issued to the highest bidder for the property which is sold at public auction. The Clerk of the Circuit Court administers these sales.

Use of Estimates

The preparation of the financial statements, in accordance with generally accepted accounting principles in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standard

In May 2020, GASB introduced a new standard, Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset- an intangible asset- and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. The Tax Collector adopted the requirements of the guidance effective October 1, 2022.

NOTE 2 BUDGETARY PROCESS

Florida Statutes govern the preparation, adoption, and administration of the Tax Collector's annual budget. The Tax Collector submits a budget for the General Fund to the Florida Department of Revenue for approval. A copy of the approved budget is provided to the Board. Any subsequent amendments to the Tax Collector's total budget must be approved by the Florida Department of Revenue. The budget for the General Fund is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures. Expenditures may not legally exceed appropriations at the fund level. Distributions for excess commissions and fees are not considered expenditures. Appropriations lapse at year-end. Budget control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Tax Collector.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other changes applicable to the fiscal year, whenever legally authorized.

NOTE 3 CASH AND INVESTMENTS

At September 30, 2023, the carrying values of the Tax Collector's cash and investments were as follows:

Type	Carrying Value Total	Credit Rating
Cash and Cash Equivalents:		
Cash on Hand	$ 48,700	N/A
Demand Deposits	5,647,338	N/A
Money Market	1,000,000	N/A
Total Cash and Cash Equivalents	$ 6,696,038	
Investments:		
Florida PRIME	$ 26,033,743	*AAAm

*Rating by S&P
N/A – Not Applicable

Custodial Credit Risk

At September 30, 2023, Tax Collector's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes except as noted below. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Credit and Interest Rate Risk

The Tax Collector's policy is to follow the guidance in Sections 219.075 and 218.415, Florida Statutes regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, Florida Statutes, authorize the Tax Collector to invest in Florida PRIME or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities; or interest-bearing time deposits or savings accounts in banks organized under the laws of the State of Florida, national banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations which are under State supervision, or in federal savings and loan associations located in the State of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

The Tax Collector's investment policy minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, to avoid the need to sell securities prior to maturity.

- Investing operating funds primarily in shorter-term securities, money market funds, or similar investment pools.

As of September 30, 2023, the Tax Collector's investments were in the State Board of Administration (SBA). SBA investments consist of Florida PRIME only.

The Florida PRIME is an external investment pool that is not registered with the Securities Exchange Commission (SEC) but operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Florida PRIME is rated AAAm by Standard and Poor's. The Florida PRIME had a weighted average days to maturity (WAM) of 35 days at September 30, 2023. The weighted average life (WAL) for Florida PRIME at September 30, 2023 was 75 days. Rule 2a7 allows funds to use amortized cost to maintain a constant net asset value (NAV) of $1.00 per share. Accordingly, the Tax Collector's investment in Florida PRIME is reported at the account balance (pooled shares), which is considered fair value.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Credit and Interest Rate Risk (Continued)

The Tax Collector adheres to the requirements of GASB Statement No. 79, which requires the following disclosures related to its Florida PRIME (the trust fund) investment:

Redemption Gates: Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to a payment at any time from the moneys in the trust fund. However, the executive director of the fund may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The trustees shall convene an emergency meeting as soon as practicable for the time the Executive Director has instituted such measures to review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on the contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days.

Liquidity Fees: Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosures in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

Redemption Fees: As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

NOTE 4 CAPITAL ASSETS

Capital assets used by the Tax Collector are capitalized in the basic financial statements of the County rather than in the governmental funds of the Tax Collector. Upon acquisition, such assets are recorded as expenditures in the General Fund of the Tax Collector and are capitalized at cost in the basic financial statements of the County. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date received. The Tax Collector maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense is recorded in the basic financial statements of the County.

NOTE 5 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities, which are reported in the basic financial statements of the County:

	October 1, 2022	Additions	Retirements	September 30, 2023
Compensated Absences	$ 822,466	$ 1,408,863	$ (1,386,307)	$ 845,022

Substantially all the balance outstanding as of September 30, 2023 is expected to be paid during the fiscal year ended September 30, 2023. These long-term liabilities are not reported in the financial statements of the Tax Collector since they have not matured.

NOTE 6 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Tax Collector entered into software agreements that meet the definition of a subscription-based information technology arrangement (SBITA) under GASB Statement No. 96 – *Subscription Based Information Technology Arrangements*. Detailed information about the Tax Collector's SBITAs can be found in the Lee County, Florida's 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 SBITA 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 entered into no new SBITAs. During the year ended September 30, 2023, the Tax Collector's payment of principal on SBITAs totaled $771,570.

NOTE 7 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 (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution 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 (FRS Plan and HIS) 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' Website (www.dms.myflorida.com).

Florida Retirement System Pension Plan (FRS 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 Officials 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 7 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (FRS 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 55 or at any age after 25 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. 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 percent 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 7 PENSION PLANS (CONTINUED)

Benefits Provided (Continued)

Detailed information about the Tax Collector'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 (HIS)

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 September 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 Tax Collector'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.

Defined Contribution 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.

NOTE 7 PENSION PLANS (CONTINUED)

Defined Contribution Plan (Continued)

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 Officials, 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 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 Florida 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.

Contributions

The Tax Collector's contributions excluding employee contributions to the pension plans totaled $1,816,245 for the year ended September 30, 2023. The Tax Collector contributed 100% of the required contributions.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS

The Tax Collector provides postretirement health care benefits in accordance with Section 112.0801, Florida Statutes, to all employees who retire from the Tax Collector. The retiree pays 50% of the premium cost for the retiree to participate in the Board's self-insurance fund. The liability, deferred inflows of resources, deferred outflows of resources, and expense for other postemployment benefits, calculated in accordance with GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* are reported in the financial statements of the County.

NOTE 9 DEFERRED COMPENSATION

The Tax Collector offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time Tax Collector employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants or their estate until termination, retirement, death, or unforeseeable emergency. The Tax Collector made employer contributions of $222,177 during the year ended September 30, 2023.

NOTE 10 RISK MANAGEMENT

The Tax Collector is exposed to various risks of loss, including general liability, health, dental, disability and life, property, and casualty, auto and physical damage, and workers' compensation. A self-insurance internal service fund is maintained by Lee County, Florida, Board of Commissioners to administer these insurance activities. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. As such, the Tax Collector participates in the Lee County, Florida, Board of Commissioners' self-insurance program. During the year ended September 30, 2023, the Tax Collector paid $4,513,762, to Lee County, Florida, Board of Commissioners for participation in the risk management program for health, life, dental, and disability coverage including the cost of retiree coverage. The Lee County, Florida, Board of County Commissioners paid $221,593 to the County's self-insurance fund on behalf of the Tax Collector for general liability, property, and casualty, auto and physical damage and workers' compensation.

Under this program, Lee County, Florida, Board of Commissioners provides coverage for group health, dental, general liability claims, and workers compensation. Lee County, Florida, Board of Commissioners purchases commercial insurance for claims in excess of coverage provided by the risk management program and all other risks of loss. There have been no significant reductions in insurance coverage in the last fiscal year. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

Effective January 1, 2024, the Tax Collector will be providing medical insurance to employees through the Tax Collector's own self-insurance plan and leaving the County's plan. An internal service fund was created in 2023 for this plan.

NOTE 11 LITIGATION

The Tax Collector is routinely involved as a defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. In the opinion of the Tax Collector and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Tax Collector.

SUPPLEMENTARY INFORMATION

LEE COUNTY, FLORIDA
TAX COLLECTOR
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Tax Fund	Tax Certificate Fund	Motor Vehicle Fund	Driver License Fund	Hunting and Fishing Fund	Local Business Tax Fund	Birth Certificate Fund	Concealed Weapons Fund	Total Custodial Funds
ASSETS									
Cash and Cash Equivalents	$ 2,214,489	$ 771,942	$ 1,036,422	$ 113,148	$ 858	$ (143,598)	$ 84	$ 5,248	$ 3,998,593
Investments	14,011,603	1,521,443	103,377	-	-	202,025	-	-	15,838,448
Accounts Receivable	-	-	16,144	1,349	-	-	-	-	17,493
Due from Other Governmental Units	1,136,958	-	-	-	-	-	-	-	1,136,958
Total Assets	$ 17,363,050	$ 2,293,385	$ 1,155,943	$ 114,497	$ 858	$ 58,427	$ 84	$ 5,248	$ 20,991,492
LIABILITIES									
Due to Individuals	$ 30,841	$ 1,257,635	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,288,476
Due to Other Governmental Units	17,332,209	1,035,750	1,155,943	114,497	858	58,427	84	5,248	19,703,016
Total Liabilities	17,363,050	2,293,385	1,155,943	114,497	858	58,427	84	5,248	20,991,492
FIDUCIARY NET POSITION	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

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

	Tax Fund	Tax Certificate Fund	Motor Vehicle Fund	Driver License Fund	Hunting and Fishing Fund	Local Business Tax Fund	Birth Certificate Fund	Concealed Weapons Fund	Total Custodial Funds
ADDITIONS									
Tax Collections for Other Governments	$ 1,414,349,604	$ 37,011,865	$ -	$ -	$ -	1,805,373	$ -	$ -	$ 1,453,166,842
License and Fees Collected for Other Governments	-	-	71,171,247	7,174,950	152,319	-	3,116	569,304	79,070,936
Miscellaneous	5,658,082	-	-	-	-	-	-	-	5,658,082
Total Additions	1,420,007,686	37,011,865	71,171,247	7,174,950	152,319	1,805,373	3,116	569,304	1,537,895,860
DEDUCTIONS									
Payments of Tax to Other Governments	1,420,007,686	37,011,865	-	-	-	1,805,373	-	-	1,458,824,924
Payments to Other Governments	-	-	71,171,247	7,174,950	152,319	-	3,116	569,304	79,070,936
Total Deductions	1,420,007,686	37,011,865	71,171,247	7,174,950	152,319	1,805,373	3,116	569,304	1,537,895,860
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	-	-	-	-	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-	-	-	-	-	-	-
FIDUCIARY NET POSITION - END OF YEAR	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

ADDITIONAL REPORTS

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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 Noelle Branning
Tax Collector
Lee 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 Lee County, Florida, Tax Collector (the 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 December 19, 2023.

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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Honorable Noelle Branning
Tax Collector
Lee County, Florida

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 Tax Collector'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 Tax Collector's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

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Fort Myers, Florida
December 19, 2023

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MANAGEMENT LETTER

Honorable Noelle Branning
Tax Collector
Lee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Lee County, Florida, Tax Collector (the Tax Collector), as of and for the year ended September 30, 2023, and have issued our report thereon dated December 19, 2023.

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 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 December 19, 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. 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.

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Honorable Noelle Branning
Tax Collector
Lee County, Florida

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.

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Fort Myers, Florida
December 19, 2023

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Noelle Branning
Tax Collector
Lee County, Florida

We have examined the Lee County, Florida, 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 Tax Collector's compliance with those 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

Fort Myers, Florida
December 19, 2023

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