# Lee County, Florida

## Financial Reports

**For The**

**Fiscal Year Ended September 30, 2024**



**Prepared By:**

**General Accounting Office, Comptroller & Treasury Department**

**Clerk to Board of County Commissioners**

**Kevin C. Karnes**

# Lee County, Florida

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## As of September 30, 2024

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May 21, 2025

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, 2024, 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 May 20, 2025. The Management Letter, Independent Auditors' Report, and the Single Audit Independent Auditor's Report were received on April 30, 2025.

Sincerely,

*Michele Crowell*

Michele Crowell, CPA
Assistant Finance Director

MC/CJH

# *Annual* COMPREHENSIVE FINANCIAL REPORT

*Lee County*
FLORIDA



Fiscal Year Ended
September 30, 2024

www.LeeClerk.org

Lee County
*Southwest Florida*

Lee County, Florida

# Annual Comprehensive Financial Report

For the
Fiscal Year Ended September 30, 2024

Lee County
Southwest Florida

Prepared by:
General Accounting Office, Comptroller & Treasury Department

Clerk to Board of County Commissioners

Kevin C. Karnes

Lee County, Florida

# PRINCIPAL OFFICIALS

As of September 30, 2024

## *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 | Steve Hennigan |
| Hearing Examiner(s) | Donna Marie Collins |

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

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# INTRODUCTORY *Section*



*Photo Credit: Karla Sagastume*

April 25, 2025

To the Citizens of Lee County and Members of the Board of County Commissioners:

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, 2024. 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, 2024, 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, 2024. 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. 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 27.5 percent increase in Lee County's 25 to 54 age group by 2040. The estimated population in 2024 is 827,016.

## *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*

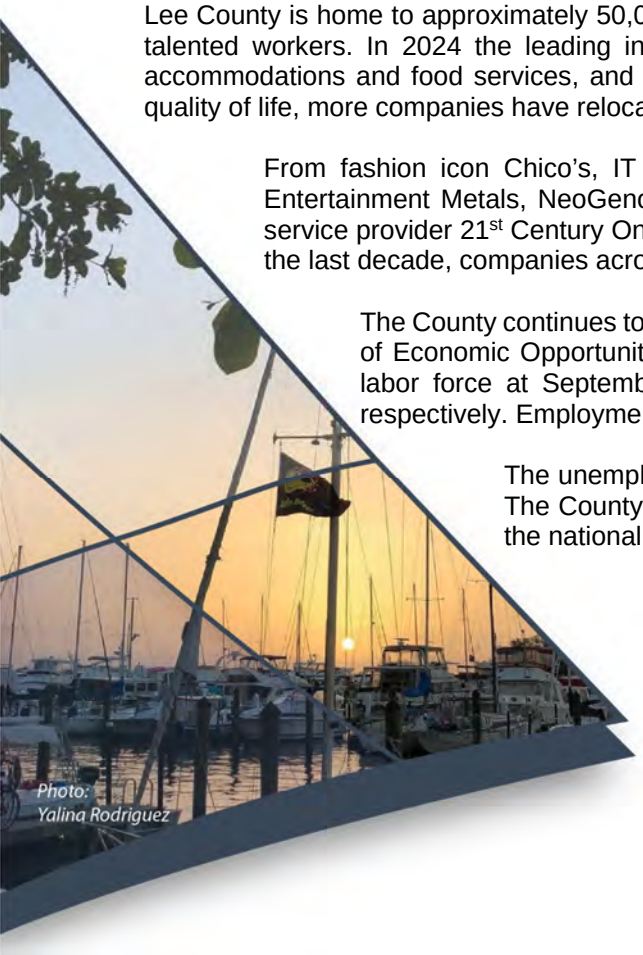
Lee County has long been a popular vacation and retirement spot with more than 50 miles of white sandy beaches that span from Gasparilla Island State Recreation Area to Barefoot Beach on Little Hickory Island. There are 18 miles of public parks on the beachfront and more than 100 public beach access 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. Tourism metrics are down, but are steadily increasing as the Hurricane Ian recovery process remains ongoing. Lee County received approximately 3.1 million visitors in fiscal year 2024 that generated $3.1 billion in economic impact. The Lee County Visitor and Convention Bureau reported tourist tax collections of $44.2 million in fiscal year 2024, up 20.4 percent from fiscal year 2023. The tourism figures provided by Lee County's Visitor and Convention Bureau for fiscal year 2024 showed that the number of visitors increased 28.0 percent and spending by visitor's increased 23.5 percent year over year. Passenger traffic at Southwest Florida International Airport ("SWFIA") reflected an 18.3 percent increase from the previous fiscal year, serving approximately 11.1 million passengers in fiscal year 2024.

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 2024 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 decade, companies across multiple sectors have chosen Lee County.

The County continues to see steady job growth and a strong labor force. The Florida Department of Economic Opportunity projects an 11.1 percent increase in Lee County jobs by 2031. The labor force at September 30, 2024, 2023, and 2022 was 380,000, 396,900, and 373,500, respectively. Employment in the County as of September 30, 2024, is estimated at 366,000.

The unemployment rate increased from 3.2 percent in 2023 to 3.6 percent in 2024. The County's unemployment level is above Florida's rate of 3.3 percent and below the national rate of 4.1 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 19.2 percent in Trade, Transportation and Utilities, 15.7 percent in Government (Federal, State and Local), 12.8 percent in Leisure and Hospitality, 14.5 percent in Professional and Business Services, 11.1 percent in Education and Health Services, 16.7 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 slow down compared to the frenzied pace experienced a few years ago. Foreclosures filed in the County increased, from 588 in fiscal year 2023 to 972 in fiscal year 2024 which represents a 65.3 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 4.3 percent, from $400,000 in September 2023 to $383,000 in September 2024. New pending sales increased by .9 percent and closed sales increased 4.2 percent, year over year. The median sale price for existing townhouses and condominiums decreased 8.8 percent from $329,000 in September 2023 to $300,000 in September 2024. Townhouse and condo new pending sales decreased 21.0 percent and closed sales decreased 27.3 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 2024 include (total cost in millions):

$7.3 South County Park and Ride Transfer Station
$8.6 Landfill Composting Facility
$12.0 Solid Waste Hendry transfer stations
$15.2 Fort Myers Beach deep injection well
$16.8 Expansion of Lehigh Community Park
$18.7 Hurricane Ian waterway debris removal
$19.3 Landfill Class I construction
$22.6 Fiesta Village Water Reclamation Facility deep injection well
$57.2 Widening of Corkscrew Road from Ben Hill to Alico Road

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

### *Southwest Florida International Airport (SWFIA)*

$17.1 Public safety building
$20.1 Rehabilitate roadways
$39.0 South quad hangars and ramp design and construction
$46.3 Runway 64 rehabilitation
$210.5 Design of rental car relocation facilities
$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 Terminal expansion design; includes consolidation of security checkpoints and increasing concession areas
$1,067 Phase 2 terminal expansion – Concourse E Gates

### *Transit*

$6.1 Design and construction of the Lehigh Acres Park and Ride Transfer Center
$11.0 Bus stop/passenger amenities project

### *Water and Wastewater*

$12.5 Long-term LS recovery and hardening
$13.0 Three Oaks deep injection well
$13.2 RSW transmission main-Ben Hill to Treeline
$17.8 Corkscrew Road widening utility relocations
$20.0 Green Meadows deep injection well
$40.5 North Lee County wellfield expansion

$42.4 Southeast wellfield expansion
$45.8 North Lee County Water Treatment Plant expansion
$48.0 Three Oaks Water Reclamation Facility expansion
$229.0 Fort Myers Beach Water Reclamation Facility restoration and capacity enhancement
$307.0 Southeast Water Reclamation Facility

### *Solid Waste*
$12.9 Landfill class I phase IV update
$14.5 Landfill class III update
$87.0 Construction of new Material Recovery Facility

### *Transportation*
$22.7 Widening of Littleton Road
$35.2 Widening of Ortiz Road from Colonial Boulevard to State Road 82
$104.0 Replacement of the Big Carlos Pass Bridge
$158.0 Extension of Three Oaks North to Daniels Parkway
$267.7 Widening of Burnt Store Road to Van Buren Pkwy
$386.0 Extension of Alico Road to State Road 82
$480.4 Cape Coral Bridge replacement

### *Culture and Recreation*
$8.7 Causeway Island erosion control/stabilization
$11.4 South County Regional Library renovation
$14.4 Able Canal Greenway
$17.0 Fort Myers Fishing Pier
$18.0 Countywide park improvements
$26.5 Environmental restoration and exotic maintenance
$52.0 Larry Kiker Preserve
$72.5 Stadium Improvements and Maintenance




### *Natural Resources*
$7.1 San Carlos Park drainage improvements
$7.9 Captiva Island beach renourishment
$9.2 Estero Island beach renourishment
$18.9 Bonita Beach renourishment cycle 2
$26.7 Lovers Key Beach renourishment
$27.0 Ten Mile Canal south

### *Public Safety*
$9.1 Emergency generators for shelters
$16.0 EMS prototype stations
$49.5 Emergency Operations Center expansion

### *Facilities*
$6.0 Fleet Satellite Shop replacement and underground fuel tank replacement
$10.5 East Lee County Government Center
$24.5 Justice Center repipe
$42.0 Natural Resources Lab Renovation and Medical Examiner's Office Expansion

## *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, 2024 was $2,213,065,000.

*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 fifteen days to two years and four months and interest earned ranged from .71 percent to 5.4 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 5.5 percent.
- The County also participates in four additional investment pools. The average yield for the Florida Cooperative Liquid Assets Securities System (FLCLASS) was 5.4 percent, the Florida Fixed Income Trust (FLFIT) was 5.5 percent, the Florida Surplus Asset Fund Trust (FLSAFE) was 5.4 percent, and the Florida Public Assets for Liquidity Management (FLPALM) was 5.2 percent.

The County earned a total of $179.2 million in interest earnings over the last five years, of which $76.9 million was earned in fiscal year 2024. Interest earnings increased in fiscal year 2024 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*

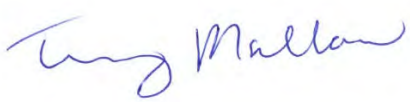
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. This was the 39th consecutive year that 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 Comptroller & Treasury Office and the various managers and fiscal officers of the County Departments. The efforts of the Comptroller & Treasury 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,



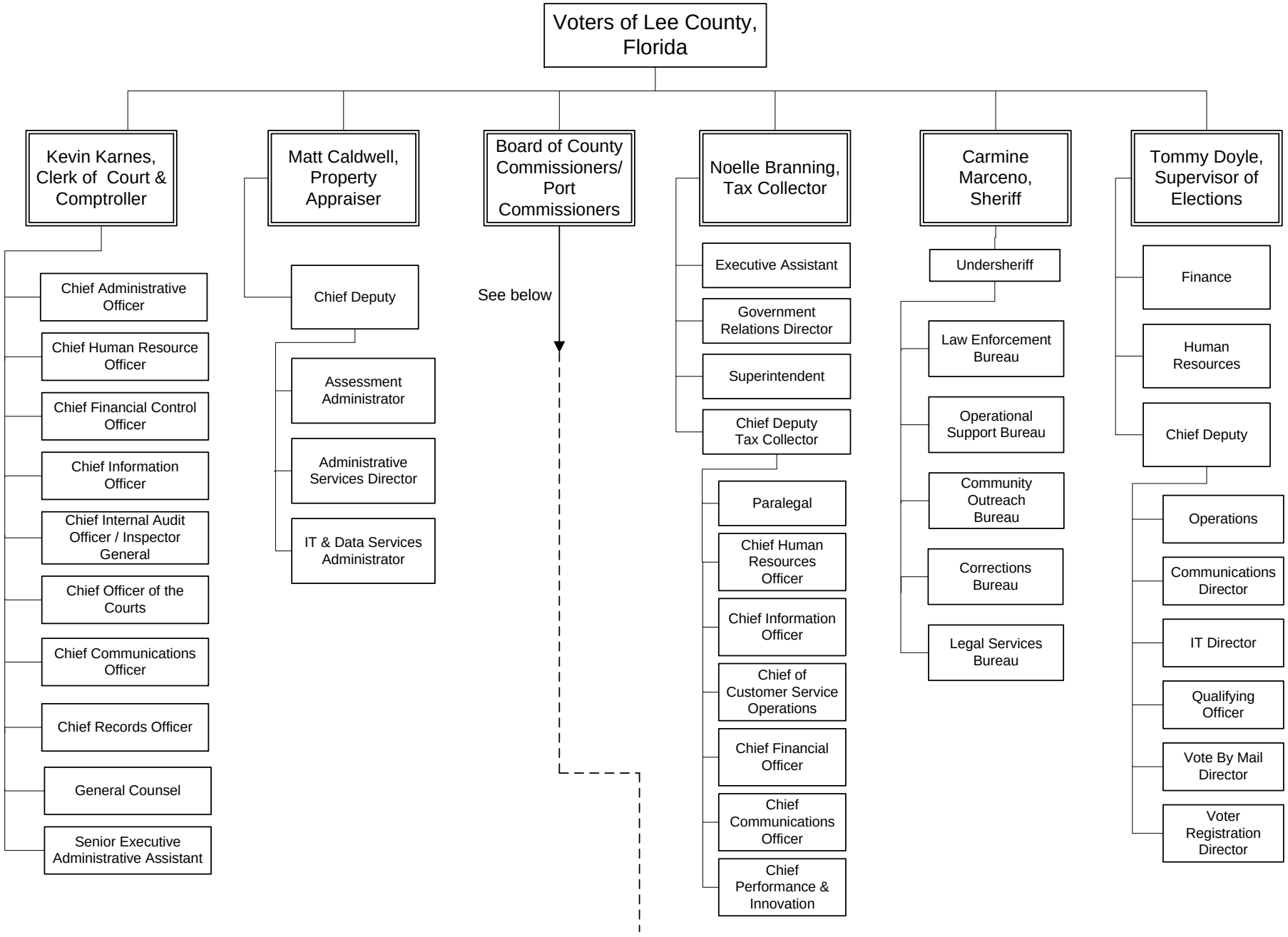


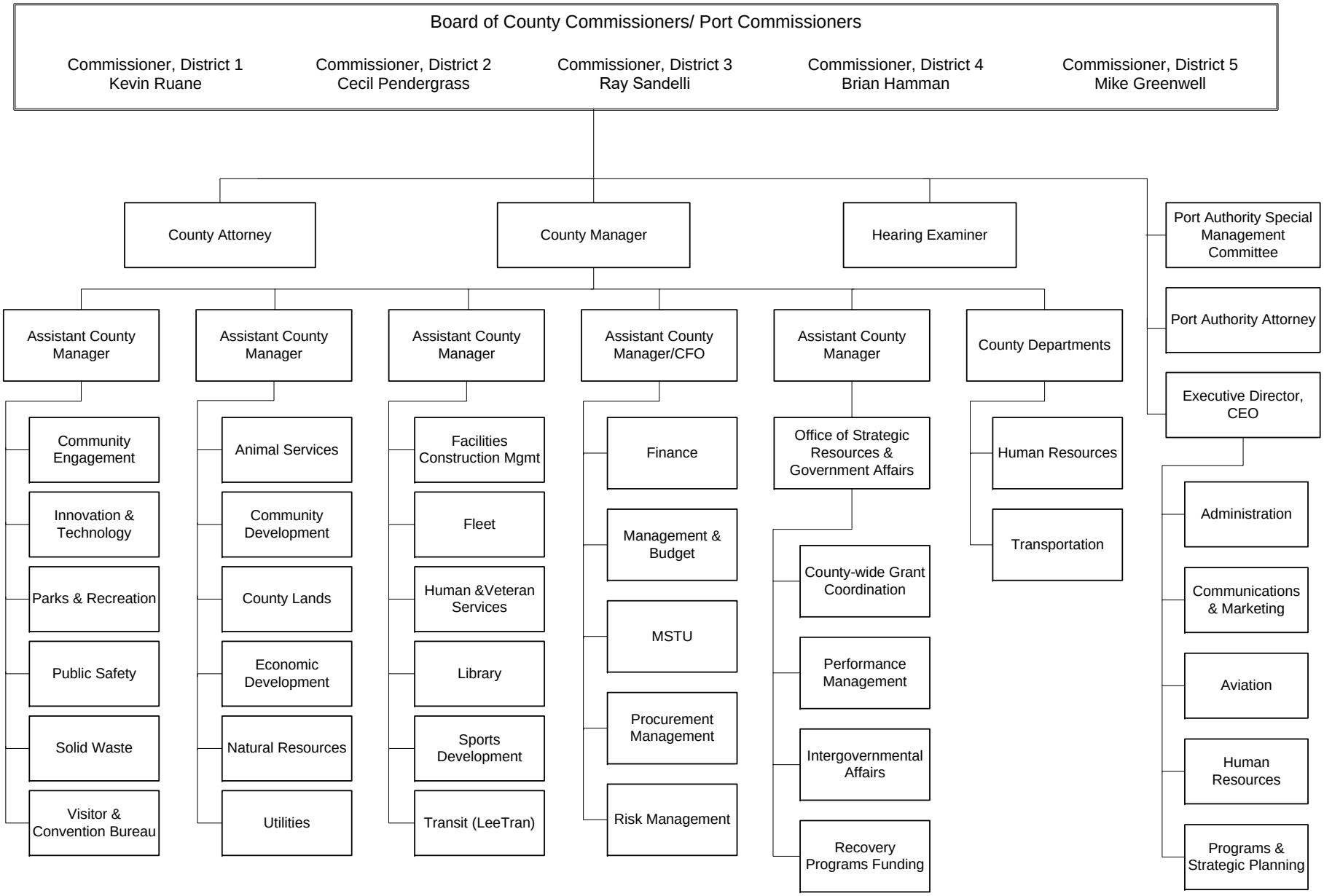


| Kevin C. Karnes | Terry Mallow, CPA | Michele Crowell, CPA |
|---|---|---|
| Clerk of the Circuit Court & Comptroller | Chief Comptroller & Treasury Officer | Assistant Finance Director |

# Lee County Government

**as of September 30 2024**




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
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, 2023

Christopher P. Morrill

Executive Director/CEO

# FINANCIAL *Section*



*Photo Credit: Katharine Saxon*

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, 2024, 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, 2024, and the respective changes in financial position, the budgetary comparison for the general fund, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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.

### *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.

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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 schedules of total other postemployment benefit liabilities, 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 April 25, 2025, 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

**CliftonLarsonAllen LLP**

Fort Myers, Florida
April 25, 2025

# 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, 2024. 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 2024, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources, resulting in total net position of $3,683,227,000.
- The County's total net position increased $371,675,000, or 11.2 percent, in comparison to prior year.
- The County's governmental activities total net position of $1,754,374,000 increased $85,155,000, or 5.1 percent, in comparison to prior year. The unrestricted net position is a deficit balance of $606,135,000.
- The County's business-type activities total net position of $1,928,853,000 increased $286,520,000, or 17.4 percent, in comparison to prior year. Approximately 8.0 percent of the total, or $153,439,000 is unrestricted, and thus available for spending at the County's discretion.
- The County reported a liability of $614,616,000 for its proportionate share of the FRS and HIS net pension liabilities.
- The County reported a total other postemployment benefits liability of $616,885,000.
- Total revenues increased $245,712,000, or 13.4 percent, in comparison to prior year.
- Total expenses decreased $62,350,000, or 3.5 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 2024 and 2023.

Summary of Net Position
September 30, 2024 and 2023
(amounts expressed in thousands)

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Current and other assets | $1,498,136 | $1,342,577 | $975,851 | $837,687 | $2,473,987 | $2,180,264 |
| Capital assets | 2,097,271 | 1,990,407 | 2,192,356 | 2,037,307 | 4,289,627 | 4,027,714 |
| Total assets | 3,595,407 | 3,332,984 | 3,168,207 | 2,874,994 | 6,763,614 | 6,207,978 |
| Total deferred outflows of resources | 302,700 | 271,041 | 64,470 | 49,493 | 367,170 | 320,534 |
| Current liabilities | 183,587 | 195,179 | 144,200 | 126,805 | 327,787 | 321,984 |
| Non-current liabilities | 1,551,131 | 1,319,514 | 995,037 | 979,124 | 2,546,168 | 2,298,638 |
| Total liabilities | 1,734,718 | 1,514,693 | 1,139,237 | 1,105,929 | 2,873,955 | 2,620,622 |
| Total deferred inflows of resources | 409,015 | 420,113 | 164,587 | 176,225 | 573,602 | 596,338 |
| Net Position: | | | | | | |
| Net investment in capital assets | 1,837,103 | 1,760,709 | 1,571,639 | 1,420,375 | 3,408,742 | 3,181,084 |
| Restricted | 523,406 | 481,746 | 203,775 | 204,951 | 727,181 | 686,697 |
| Unrestricted (deficit) | (606,135) | (573,236) | 153,439 | 17,007 | (452,696) | (556,229) |
| Total net position | $1,754,374 | $1,669,219 | $1,928,853 | $1,642,333 | $3,683,227 | $3,311,552 |

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 $3,408,742,000 increased $227,658,000, or 7.2 percent, in comparison to prior year.

The restricted net position balance of $727,181,000 increased $40,484,000, or 5.9 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 $452,696,000. The deficit balance decreased $103,533,000 or 18.6 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, 2024 and 2023**
**(amounts expressed in thousands)**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| **Revenues:** | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $153,519 | $151,723 | $512,012 | $449,268 | $665,531 | $600,991 |
| Operating grants and contributions | 160,601 | 170,261 | 143,601 | 77,619 | 304,202 | 247,880 |
| Capital grants and contributions | 92,424 | 82,967 | 103,435 | 68,172 | 195,859 | 151,139 |
| General revenues: | | | | | | |
| Taxes | 643,012 | 592,406 | 3,457 | 3,026 | 646,469 | 595,432 |
| Grants and contributions not restricted to specific programs | 103,302 | 111,962 | - | - | 103,302 | 111,962 |
| Other | 107,624 | 76,743 | 52,719 | 45,847 | 160,343 | 122,590 |
| Total revenues | 1,260,482 | 1,186,062 | 815,224 | 643,932 | 2,075,706 | 1,829,994 |
| **Expenses:** | | | | | | |
| Program activities: | | | | | | |
| General government | 391,494 | 410,646 | | | 391,494 | 410,646 |
| Public safety | 424,152 | 391,963 | | | 424,152 | 391,963 |
| Physical environment | 31,742 | 31,713 | | | 31,742 | 31,713 |
| Transportation | 102,988 | 85,119 | | | 102,988 | 85,119 |
| Economic environment | 63,679 | 39,670 | | | 63,679 | 39,670 |
| Human services | 28,813 | 32,301 | | | 28,813 | 32,301 |
| Culture and recreation | 103,852 | 99,031 | | | 103,852 | 99,031 |
| Interest on long-term debt | 11,722 | 11,403 | | | 11,722 | 11,403 |
| Indirect expenses | (6,299) | (5,884) | 6,299 | 5,884 | - | - |
| Business-type activities: | | | | | | |
| Airport | | | 161,159 | 156,887 | 161,159 | 156,887 |
| Water and Wastewater | | | 159,330 | 157,682 | 159,330 | 157,682 |
| Transit | | | 36,897 | 39,235 | 36,897 | 39,235 |
| Transportation Facilities | | | 31,899 | 24,902 | 31,899 | 24,902 |
| Solid Waste | | | 153,260 | 282,785 | 153,260 | 282,785 |
| Total expenses | 1,152,143 | 1,095,962 | 548,844 | 667,375 | 1,700,987 | 1,763,337 |
| Total change in net position before transfers | 108,339 | 90,100 | 266,380 | (23,443) | 374,719 | 66,657 |
| Special Item- Loss on discontinued project | - | - | (3,044) | (74,725) | (3,044) | (74,725) |
| Transfers | (23,184) | 3,612 | 23,184 | (3,612) | - | - |
| Change in net position | 85,155 | 93,712 | 286,520 | (101,780) | 371,675 | (8,068) |
| Net position October 1 | 1,669,219 | 1,575,507 | 1,642,333 | 1,744,113 | 3,311,552 | 3,319,620 |
| Net position September 30 | $1,754,374 | $1,669,219 | $1,928,853 | $1,642,333 | $3,683,227 | $3,311,552 |

Total revenues increased $245,712,000, or 13.4 percent, in comparison to prior year. Total expenses decreased $62,350,000, or 3.5 percent, in comparison to prior year.

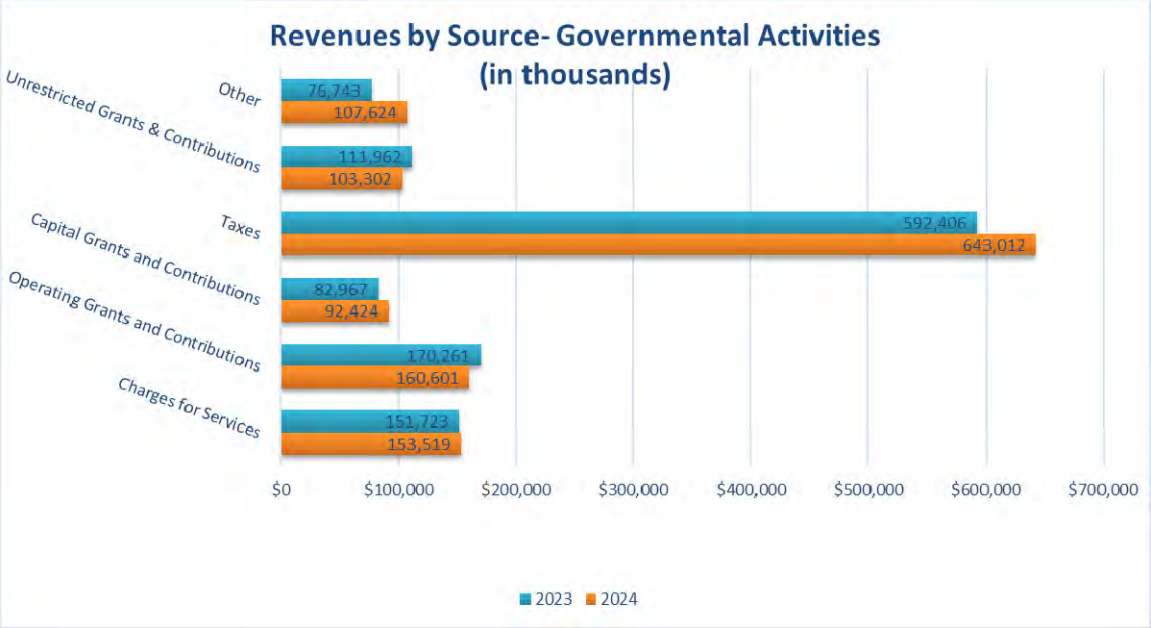
## *Governmental Activities*

The governmental activities increased (decreased) the County's total assets, total deferred outflows of resources, total liabilities, total deferred inflows of resources, and total net position by $262,423,000, $31,659,000, $220,025,000, ($11,098,000), and $85,155,000, respectively. The increase in the governmental activities' net investment in capital assets is $76,394,000, or 4.3 percent, in comparison to prior year.

Total revenues for governmental activities increased $74,420,000, or 6.3 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 decreased $9,660,000 or 5.7 percent, in comparison to prior year primarily due to a decrease of $38,721,000 in American Rescue Plan Coronavirus State and Local Fiscal Recovery Funds, and a decrease of $18,684,000 in State Housing Initiatives Partnership Program (SHIP) funds. These decreases were offset by an increase of $19,592,000 in Community Development Block Grant Disaster Recovery Funds, $12,333,000 in funds received from the Florida Division of Emergency Management for the Emergency Operations Center expansion, and an increase of $16,202,000 in Hurricane Ian Funds.
- Capital grants and contributions increased $9,457,000, or 11.4 percent, in comparison to prior year primarily due to an increase of $8,225,000 in Road, Regional and Community Park, and EMS Impact Fees as a result of increased construction activity.
- Taxes increased $50,606,000, or 8.5 percent, in comparison to prior year, due to an increase of $45,023,000 in Ad Valorem taxes collected as a result of 6 percent increase in property values, and an increase of $7,550,000 in Tourist Tax revenue as a result of an increase in visitation.
- Grants and contributions not restricted for a specific programs decreased 8,660,000, or 7.7 percent, primarily due to state reimbursement related to property taxes received for $5,392,000 in the prior year and a decrease of $2,990,000 in local half-cent sales tax collected in the current year.
- Other revenue increased $30,881,000, or 40.2 percent, in comparison to prior year primarily due to an increase of $32,712,000 in interest earnings and the change in fair value adjustment, an increase of $4,565,000 received in insurance reimbursements related to Hurricane Ian, offset by a decrease of $9,087,000 in Opioid settlement revenue.

The following is a chart of revenue by source for governmental activities for fiscal years 2024 and 2023:

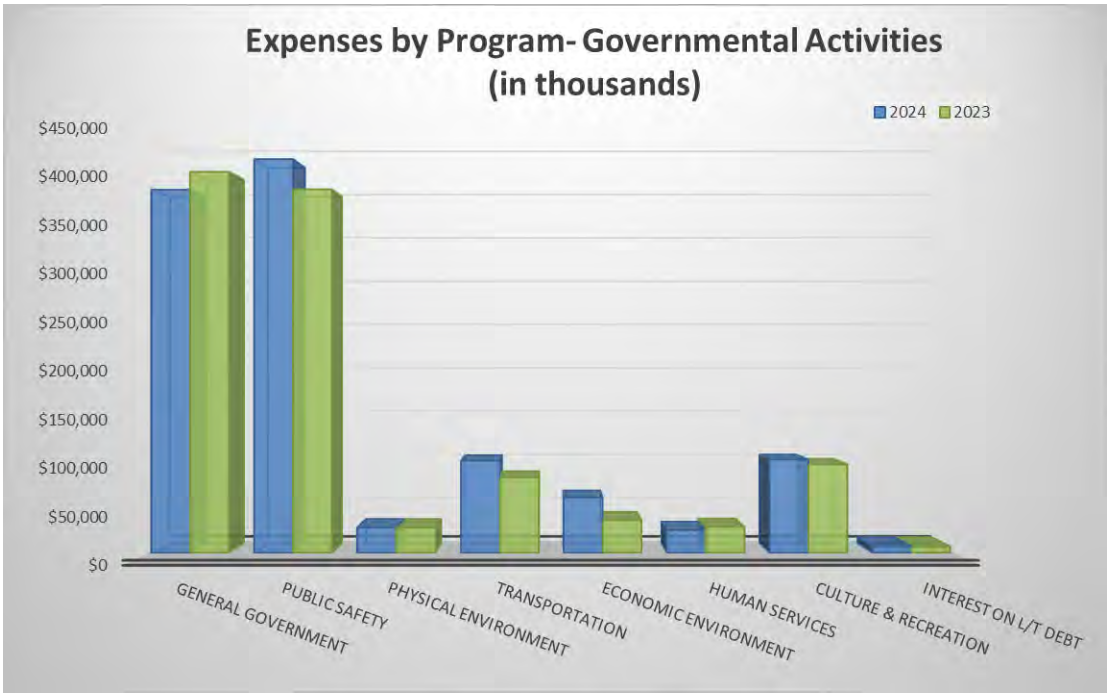



Total expenses for governmental activities increased $56,181,000, or 5.1 percent, in comparison to prior year. The main components of the change in total expenses for governmental activities were as follows:

- General government expenses decreased by $19,152,000, or 4.7 percent, primarily due to a decrease of $51,423,000 in pension expense, and $24,538,000 in Hurricane Ian disaster expenses, offset by an increase of $44,449,000 in other postemployment benefit expense, and $6,600,000 in county-wide building maintenance renovations.
- Public safety expenses increased by $32,189,000, or 8.2 percent, primarily due to an increase of $30,692,000 in Sheriff personal and operating costs as a result of staffing adjustments, pay plan and base salary increases, higher FRS rates as well as an increase in inmate medical expenses, and higher inflationary costs.

- Transportation expenses increased $17,869,000, or 21.0 percent, primarily due to an increase of $11,000,000 related to road resurfacing projects and maintenance, an increase of $2,343,000 in sidewalk repair projects, and an increase of $1,243,000 in depreciation expense.
- Economic environment expenses increased $24,009,000, or 60.5 percent, primarily due to expenses of $13,580,000 for the Community Development Block Grant – Disaster Recovery Housing program and $8,706,000 in State Housing Incentive Programs.

The following is a chart of expenses by program for governmental activities for fiscal years 2024 and 2023.




## *Business-Type Activities*

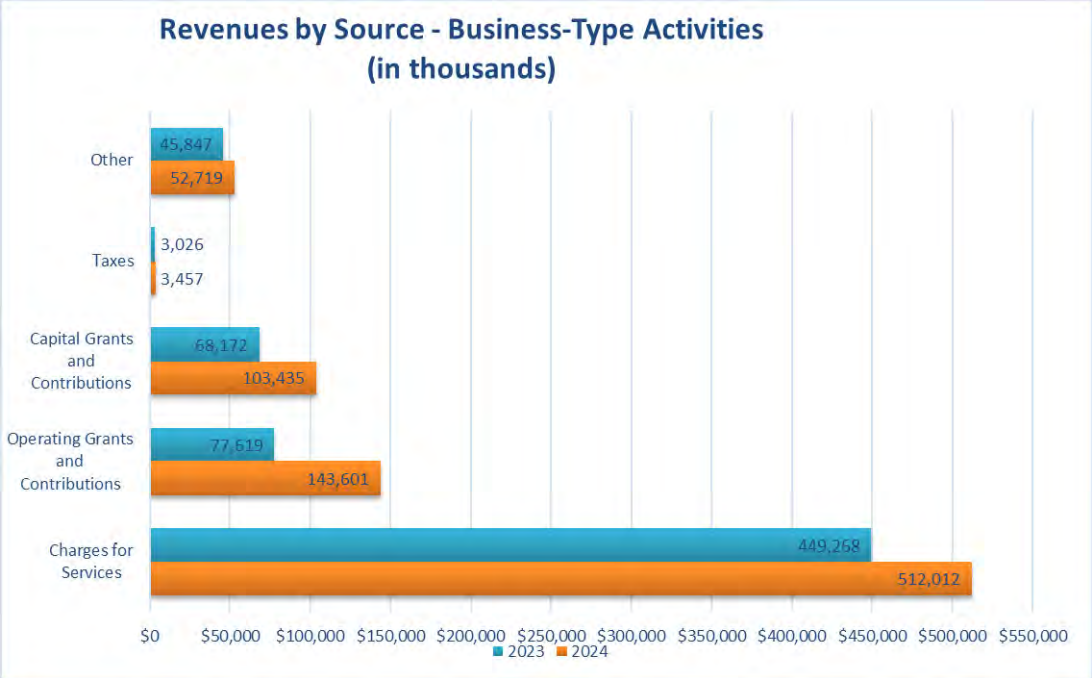
The business-type activities increased or (decreased) the County's total assets, total deferred outflows of resources, total liabilities, total deferred inflows of resources, and total net position by $293,213,000, $14,977,000, $33,308,000, ($11,638,000), and $286,520,000, respectively. The increase in the business-type activities' net investment in capital assets is $151,264,000, or 10.6 percent, in comparison to prior year.

Total revenues reported in business-type activities increased $171,292,000, or 26.6 percent, in comparison to prior year. The increase is primarily due to an increase in charges for services of $62,744,000, or 14.0 percent, an increase in operating grants and contributions of $65,982,000, or 85.0 percent, and an increase in capital grants and contributions of $35,263,000, or 51.7 percent. Further details on major contributing factors for the increases include the following:

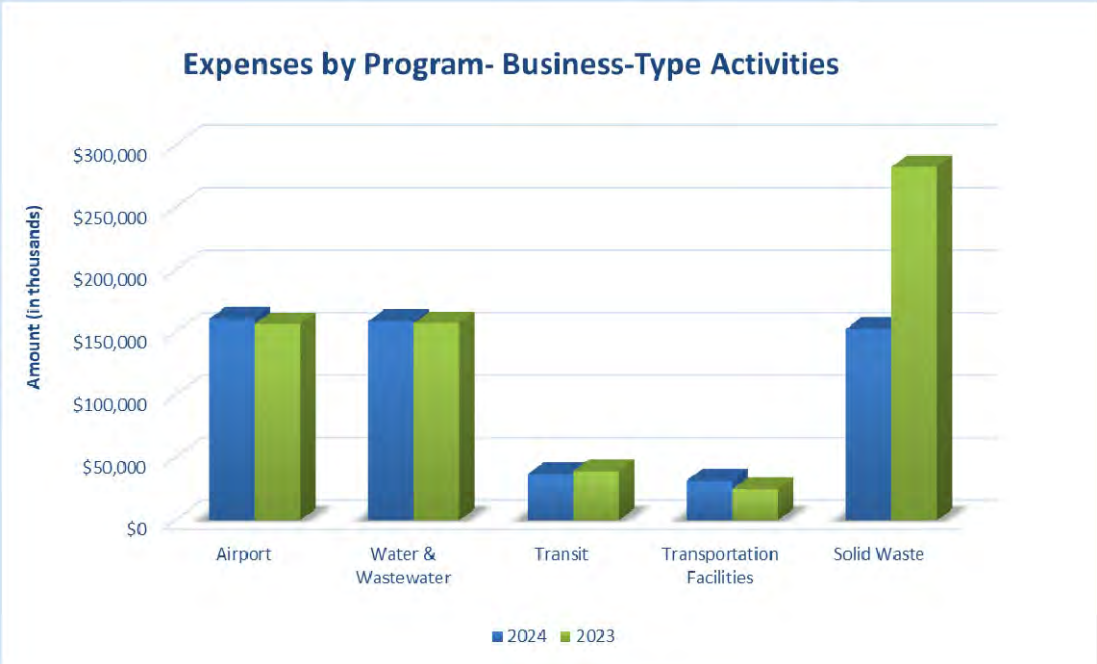
- Port Authority charges for services increased $31,250,000, or 21.9 percent, as a result of higher concession revenue in the current year, an increase in passenger facility charges, and reinstating the rental car facility charge.
- Water and Wastewater charges for services increased $11,192,000, or 9.6 percent, as a result of an eight percent rate increase.
- Transportation charges for services increased $17,924,000, or 43.5 percent, due to an increase in toll revenue and administrative fee revenue as a result of an increase in traffic for all bridges and the implementation of registration holds on unpaid tolls.
- Port Authority operating grants and contributions decreased $10,189,000, or 34.0 percent, due to more Coronavirus aid and relief funds received in the prior year.

- Solid Waste operating grants and contributions increased $83,653,000, or 355.0 percent as a result of receiving Hurricane Ian FEMA reimbursements related to debris removal.
- Port Authority capital grants and contributions increased $34,909,000, or 193.6 percent, due to grants received for the terminal expansion project.

The following is a chart of revenues by source for business-type activities for fiscal years 2024 and 2023.




Total business-type expenses decreased $118,531,000, or 17.8 percent, in comparison to prior year. The decrease is primarily due to a decrease of $129,525,000, or 45.8 percent in Solid Waste expenses as a result of hurricane Ian debris removal costs in the prior year. The following is a chart of expenses by program for business-type activities for fiscal years 2024 and 2023.



# *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 remained steady year over year decreasing $8,000. Taxes increased $33,397,000, or 7.8 percent, due to an increase in Ad Valorem taxes as a result of higher assessed property values. Intergovernmental revenue decreased $37,237,000, or 18.7 percent, primarily due to lower American Rescue Plan grant revenue of $38,721,000 recognized in the current fiscal year. Total expenditures increased $56,652,000, or 9.1 percent, primarily due to an increase of $36,307,000 in public safety as a result of higher Sheriff personnel and operating costs; and an increase of $9,793,000 in public safety capital expenditures related to Sheriff's vehicle, K9 and equipment, and technology replacement cycles. In addition, general government capital outlay expenditures increased $18,073,000, or 91.0 percent, due to new leases and subscription-based IT arrangements and the purchase of a building by the Tax Collector. Physical environment expenditures decreased $6,981,000 primarily due to Hurricane Ian waterway debris removal costs in the prior year.

***Transportation Capital Improvements Fund***- Total revenues increased $13,976,000, or 41.6 percent. Intergovernmental revenues increased $7,039,000 due to grants received from the Department of Transportation for road projects and investment earnings increased $7,206,000 as a result of higher interest earnings and the fair market value unrealized gain. Total expenditures increased $18,238,000, or 39.1 percent, due to road resurfacing and maintenance projects and construction projects for Big Carlos Bridge, Cape Coral Bridge design, Littleton Road, and Three Oaks extension. Transfers in were $13,402,000 lower in the current year as the toll excess fee transfer will be processed in fiscal year 2025.

## *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 changes from prior year for proprietary major funds:

***Port Authority***

- Net operating revenue increased $9,645,000, or 7.7 percent, in comparison to prior year as a result of an increase of $11,742,000 in concession revenue due to credits issued in the prior year to concessionaires using American Rescue Plan funds and higher parking and restaurant revenue due to increased passenger traffic in the current year. User fees increased $2,019,000 due to increased airline activity. These increases were offset by an increase of $6,124,000 in rebates.
- Total operating expenses decreased $2,200,000, or 1.5 percent, in comparison to prior year as a result of an a $6,309,000 decrease in pension and other postemployment benefit expense; offset by an increase of $1,615,000 in salaries and employee benefits due to a COLA increase; and an increase of $923,000 in other expenses due to an increase in advertising.
- Operating grants were $10,134,000, or 33.9 percent, lower due to more Coronavirus aid and relief funds received in the prior year.
- The Port Authority reported customer facility charges of $18,817,000 in the current year as a result of reinstating rental car facility charges.

- Capital grants and contributions were $34,909,000, or 193.7 percent, higher due to grants received for the terminal expansion project in the current year.
- The Port Authority reported a special item for a loss on a discontinued project in the amount of $74,725,000 in the prior year and $3,044,000 in the current year, as a result of designing and constructing the air traffic control tower and then transferring it to the FAA.

***Water and Wastewater***

- Net operating revenue increased $11,192,000, or 9.6 percent, in comparison to prior year primarily due to an increase of $10,995,000 in user fees as a result of an 8 percent rate increase.
- Total operating expenses decreased $4,522,000 or 2.9 percent, in comparison to prior year primarily due to a decrease of $6,363,000 in pension and OPEB expense and a decrease of $2,185,000 in contractual services, materials, and supplies related to Hurricane Ian expense incurred in the prior year. The decrease was offset by an increase of $2,407,000 in repairs and maintenance due to higher parts and labor costs and an increase of $1,559,000, in salaries due to a COLA increase.

***Transportation Facilities***

- Net operating revenue increased $17,924,000, or 43.5 percent, in comparison to prior year due to an increase in toll revenue and administrative fee revenue as a result of an increase in traffic for all bridges and the implementation of registration holds on unpaid tolls.
- Total operating expenses increased $6,395,000, or 28.3 percent, in comparison to prior year primarily due to an increase of $1,724,000 in contractual services, materials and supplies for costs associated with resurfacing projects for the bridge and toll plaza, and an increase of $3,852,000 in other expenses related to bad debt expense for the administration fee.
- Transfers from excess fees to Transportation Capital Improvement Fund were not made in the current year. The transfers totaled $20,902,000 in the prior year.

***Solid Waste***

- Net operating revenue increased $2,123,000, or 1.4 percent, in comparison to prior year primarily due to an increase of $3,401,000, in user fees as result of increased growth offset by a decrease of $1,712,000, in electric revenues as a result of a drop in market pricing.
- Total operating expenses decreased $129,963,000, or 46.0 percent, in comparison to prior year primarily due to a decrease of $128,876,000 in contractual services, materials and supplies related to Hurricane Ian debris removal in the prior year.
- Operating grants increased $83,458,000, or 260.0 percent, 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 $19,828,000 and $95,897,000. The changes include:

- $44,430,000 increase in LAP loan proceeds received for Hurricane Ian projects.
- $11,200,000 increase in transfers to fund road resurfacing and traffic signal projects.
- $10,125,000 increase for the Sheriff's Office for non-recurring capital items.
- $6,486,000 increase for the Sheriff's Office for operating and capital expenditures.
- $7,670,000 increase for human services grant funding received for low income housing and utilities assistance, homelessness prevention, and opioid recovery.
- $5,000,000 increase in capital outlay for the Tax Collector's building purchase.
- $1,750,000 increase in funding to the Clerk of Circuit Court for revenue replacement.
- $1,507,000 increase for West Coast Inland Navigation District (WCIND) pass through grant funding.

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 $270,842,000. 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 2024 were as follows:

- Lee Tran South County Park and Ride Transfer Station
- Landfill Composting Facility
- Solid Waste Transfer Stations
- Landfill Class I Construction
- Fort Myers Beach and Fiesta Village Water Reclamation Facility deep injection wells
- Widening of Corkscrew Road from Ben Hill to Alico Road
- Expansion of Lehigh Community Park

The following is a schedule of the County's capital assets as of September 30, 2024 and 2023.

**Lee County, Florida**
**Summary of Capital Assets**
**September 30, 2024 and 2023**
**(amounts expressed in thousands)**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Artwork | $310 | $320 | $293 | $293 | $603 | $613 |
| Land, easements, and rights of way | 816,491 | 802,825 | 247,736 | 247,731 | 1,064,227 | 1,050,556 |
| Construction in progress | 167,959 | 114,599 | 534,930 | 385,407 | 702,889 | 500,006 |
| Buildings | 634,757 | 623,167 | 703,949 | 676,943 | 1,338,706 | 1,300,110 |
| Improvements other than buildings | 253,875 | 244,371 | 732,436 | 718,563 | 986,311 | 962,934 |
| Machinery and equipment | 353,089 | 321,334 | 620,831 | 615,224 | 973,920 | 936,558 |
| Software | 19,795 | 19,871 | 8,617 | 8,017 | 28,412 | 27,888 |
| Infrastructure | 966,499 | 927,965 | 1,202,510 | 1,156,201 | 2,169,009 | 2,084,166 |
| Intangible right-to-use land | 32 | 33 | - | - | 32 | 33 |
| Intangible right-to-use building | 13,579 | 11,892 | - | - | 13,579 | 11,892 |
| Intangible right-to-use machinery & equipment | 8,905 | 5,171 | 703 | 99 | 9,608 | 5,270 |
| Intangible right-to-use infrastructure | 10,312 | 10,312 | - | - | 10,312 | 10,312 |
| Intangible right-to-use SBITA | 27,845 | 18,401 | 8,207 | 5,435 | 36,052 | 23,836 |
| Total capital assets | $3,273,448 | $3,100,261 | $4,060,212 | $3,813,913 | $7,333,660 | $6,914,174 |
| Accumulated depreciation/amortization | (1,176,177) | (1,109,854) | (1,867,856) | (1,776,606) | (3,044,033) | (2,886,460) |
| Total | $2,097,271 | 1,990,407 | $2,192,356 | $2,037,307 | $4,289,627 | $4,027,714 |

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

## *Debt Administration*

At September 30, 2024, the County had $801,365,000 of outstanding bonded debt. The revenue bonds, which are each payable from a specific revenue stream, make up 100 percent of the total bonded debt. The outstanding bond balance decreased $54,090,000 or 6.3 percent, in comparison to prior year.

Total long-term liabilities of $1,314,667,000, 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 increased by $169,797,000, or 14.8 percent, in comparison to prior year. The increase is primarily due the County entering into an agreement with the State of Florida Division of Emergency Management for $144,432,000 from the Hurricane Recovery Grant Program and Lee County Water and Wastewater entering into a new loan agreement in the amount of $45,000,000 to finance capital improvement projects.

Standard and Poor's Rating Group suggests that debt service should not exceed 10-15 percent of appropriations. The fiscal year 2024 debt service was 3.6 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 3.4 percent unemployment rate at the time of budget preparation, as reported by the Florida Research & Economic Database and Lee County Economic Development.
- There is a 6.0 percent salary increase in the County's fiscal year 2024-2025 budget.
- There was an increase in the property values from fiscal year 2024, which is used for fiscal year 2025, of 12.8 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, 2024, the County has approximately $45,170,000 in remaining funds.
- Hurricane Ian, a strong category 4 hurricane, made landfall in Lee County on September 28, 2022. As of the fiscal year ending September 30, 2024 the County incurred approximately $219,350,000 in Hurricane Ian related expenses, received $205,520,000 in state and federal grant funds and received $23,856,000 in insurance reimbursements. The County continues to focus on recovery and was granted $144,432,000 in advance funding from the State to fund recovery projects.

## *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, Comptroller & Treasury Department, 2115 Second Street, 3rd Floor, Fort Myers, Florida, 33901, phone (239) 533-2100.

# BASIC FINANCIAL *Statements*



Photo Credit: Dana Evans

Lee County, Florida
STATEMENT OF NET POSITION
As of September 30, 2024
(amounts expressed in thousands)

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total |
| ASSETS | | | |
| Cash, cash equivalents and investments | $ 524,609 | $ 430,411 | $ 955,020 |
| Receivables (net) | 36,827 | 159,439 | 196,266 |
| Due from other governments | 33,598 | 464 | 34,062 |
| Internal balances | 22,053 | (22,053) | - |
| Inventories | 4,880 | 3,514 | 8,394 |
| Prepaids | 6,022 | 3,518 | 9,540 |
| Other assets | 28 | 64 | 92 |
| Restricted assets: | | | |
| Cash, cash equivalents and investments | 804,691 | 394,192 | 1,198,883 |
| Receivables | 47,482 | 6,121 | 53,603 |
| Due from other governments | 17,652 | 181 | 17,833 |
| Inventory | 294 | - | 294 |
| Capital assets: | | | |
| Non-depreciable | 984,760 | 782,959 | 1,767,719 |
| Depreciable, net | 1,112,511 | 1,409,397 | 2,521,908 |
| Total Assets | 3,595,407 | 3,168,207 | 6,763,614 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Loss on refunding of debt | 2,922 | 4,834 | 7,756 |
| Unamortized pension costs and subsequent contributions | 156,996 | 26,471 | 183,467 |
| Unamortized other postemployment benefits costs and subsequent contributions | 142,782 | 33,165 | 175,947 |
| Total Deferred Outflows of Resources | 302,700 | 64,470 | 367,170 |
| LIABILITIES | | | |
| Contracts and accounts payable | 37,222 | 41,590 | 78,812 |
| Accrued liabilities | 14,506 | 2,860 | 17,366 |
| Due to other governments | 11,982 | 13,064 | 25,046 |
| Due to individuals | 342 | - | 342 |
| Deposits | 6,281 | 1,441 | 7,722 |
| Accrued interest payable | 750 | 113 | 863 |
| Unearned revenues | 53,745 | 7,369 | 61,114 |
| Refunds and rebates | - | 15,864 | 15,864 |
| Other liabilities | 100 | - | 100 |
| Liabilities payable from restricted assets: | | | |
| Contracts and accounts payable | 28,002 | 37,142 | 65,144 |
| Accrued liabilities | 605 | - | 605 |
| Due to other governments | 17,352 | 52 | 17,404 |
| Deposits | 7,805 | 8,638 | 16,443 |
| Unearned revenue | 672 | 3,430 | 4,102 |
| Accrued interest payable | 4,223 | 12,637 | 16,860 |

(continued)

Lee County, Florida
STATEMENT OF NET POSITION
As of September 30, 2024
(amounts expressed in thousands)

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total |
| Noncurrent liabilities: | | | |
| Due within one year | 58,100 | 53,106 | 111,206 |
| Net pension liability | 607 | 152 | 759 |
| Due in more than one year | 488,373 | 715,088 | 1,203,461 |
| Net pension liability | 514,084 | 99,773 | 613,857 |
| Total other postemployment benefits liability | 489,967 | 126,918 | 616,885 |
| Total Liabilities | 1,734,718 | 1,139,237 | 2,873,955 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Gain on refunding of debt | - | 105 | 105 |
| Unamortized pension costs | 57,923 | 11,352 | 69,275 |
| Unamortized other postemployment benefits costs | 293,281 | 62,179 | 355,460 |
| Unamortized leases | 57,811 | 90,951 | 148,762 |
| Total Deferred Inflows of Resources | 409,015 | 164,587 | 573,602 |
| NET POSITION | | | |
| Net investment in capital assets | 1,837,103 | 1,571,639 | 3,408,742 |
| Restricted for: | | | |
| Capital projects | 267,274 | 119,339 | 386,613 |
| Debt service | 14,580 | 45,429 | 60,009 |
| Disaster recovery | 3,328 | - | 3,328 |
| Inventory for resale | 294 | - | 294 |
| Special revenue funds: | | | |
| Improvement districts | 15,966 | - | 15,966 |
| Culture & recreation | 8,182 | - | 8,182 |
| Economic development | 53,872 | - | 53,872 |
| Health, safety & welfare | 40,151 | - | 40,151 |
| Transportation roads | 106,617 | - | 106,617 |
| Court programs | 3,583 | - | 3,583 |
| Public records | 5,910 | - | 5,910 |
| Inmate welfare | 855 | - | 855 |
| Driver's education | 369 | - | 369 |
| Law enforcement activities | 2,425 | - | 2,425 |
| Renewal and replacement | - | 39,007 | 39,007 |
| Unrestricted (deficit) | (606,135) | 153,439 | (452,696) |
| Total Net Position | $ 1,754,374 | $ 1,928,853 | $ 3,683,227 |

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, 2024
(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 | $ 391,494 | $ (14,187) | $ 92,406 | $ 56,678 | $ 26,658 | $ (201,565) | $ - | $ (201,565) |
| Public safety | 424,152 | 1,114 | 45,754 | 43,240 | 10,187 | (326,085) | - | (326,085) |
| Physical environment | 31,742 | 262 | 3,689 | 8,207 | 49 | (20,059) | - | (20,059) |
| Transportation | 102,988 | 1,489 | 1,556 | 14,349 | 7,576 | (80,996) | - | (80,996) |
| Economic environment | 63,679 | 508 | 116 | 34,175 | - | (29,896) | - | (29,896) |
| Human services | 28,813 | 445 | 2,934 | 3,206 | 131 | (22,987) | - | (22,987) |
| Culture and recreation | 103,852 | 4,070 | 7,064 | 746 | 47,823 | (52,289) | - | (52,289) |
| Interest on long-term debt | 11,722 | - | - | - | - | (11,722) | - | (11,722) |
| Total governmental activities | 1,158,442 | (6,299) | 153,519 | 160,601 | 92,424 | (745,599) | - | (745,599) |
| Business-type activities: | | | | | | | | |
| Airport | 161,159 | 812 | 174,053 | 19,807 | 52,936 | - | 84,825 | 84,825 |
| Water and Wastewater | 159,330 | 2,582 | 127,532 | 226 | 45,405 | - | 11,251 | 11,251 |
| Transit | 36,897 | 982 | 4,247 | 7,115 | 5,073 | - | (21,444) | (21,444) |
| Transportation Facilities | 31,899 | 685 | 59,145 | - | - | - | 26,561 | 26,561 |
| Solid Waste | 153,260 | 1,238 | 147,035 | 116,453 | 21 | - | 109,011 | 109,011 |
| Total business-type activities | 542,545 | 6,299 | 512,012 | 143,601 | 103,435 | - | 210,204 | 210,204 |
| Total primary government | 1,700,987 | - | 665,531 | 304,202 | 195,859 | (745,599) | 210,204 | (535,395) |
| General revenues: | | | | | | | | |
| Taxes: | | | | | | | | |
| Property taxes | | | | | | 540,769 | - | 540,769 |
| Gas taxes | | | | | | 25,179 | - | 25,179 |
| Tourist taxes | | | | | | 44,261 | - | 44,261 |
| Communication taxes | | | | | | 6,688 | - | 6,688 |
| Franchise fees | | | | | | 25,240 | 3,457 | 28,697 |
| Local business taxes | | | | | | 875 | - | 875 |
| Grants and contributions not restricted to specific programs | | | | | | 103,302 | - | 103,302 |
| Investment earnings | | | | | | 77,103 | 43,952 | 121,055 |
| Miscellaneous | | | | | | 30,521 | 8,767 | 39,288 |
| Special Item - Loss on discontinued project | | | | | | - | (3,044) | (3,044) |
| Transfers | | | | | | (23,184) | 23,184 | - |
| Total general revenues and transfers | | | | | | 830,754 | 76,316 | 907,070 |
| Change in net position | | | | | | 85,155 | 286,520 | 371,675 |
| Net position - beginning | | | | | | 1,669,219 | 1,642,333 | 3,311,552 |
| Net position - ending | | | | | | $ 1,754,374 | $ 1,928,853 | $ 3,683,227 |

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

Lee County, Florida
BALANCE SHEET
GOVERNMENTAL FUNDS
As of September 30, 2024
(amounts expressed in thousands)

| | General | Transportation Capital Improvements | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash, cash equivalents and investments | $ 381,752 | $ 217,613 | $ 642,782 | $ 1,242,147 |
| Cash and cash equivalents with fiscal agent | - | - | 18,020 | 18,020 |
| Receivables | | | | |
| Accounts (net) | 20,568 | - | 913 | 21,481 |
| Special assessments | - | - | 1,834 | 1,834 |
| Accrued interest | 344 | 353 | 1,330 | 2,027 |
| Leases | 9,819 | - | 43,606 | 53,425 |
| Due from other funds | 2,616 | - | 3,016 | 5,632 |
| Due from other governments | 23,102 | 4,266 | 23,651 | 51,019 |
| Inventory | 507 | - | 3,612 | 4,119 |
| Inventory held for resale | 294 | - | - | 294 |
| Advances | 6,500 | - | - | 6,500 |
| Other | 28 | - | - | 28 |
| Total assets | 445,530 | 222,232 | 738,764 | 1,406,526 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 25,223 | 10,677 | 24,622 | 60,522 |
| Accrued liabilities | 12,393 | - | 2,495 | 14,888 |
| Due to other funds | 2,802 | 74 | 2,406 | 5,282 |
| Due to other governments | 12,360 | 606 | 16,101 | 29,067 |
| Due to individuals | 342 | - | - | 342 |
| Deposits | 6,281 | 765 | 7,040 | 14,086 |
| Unearned revenues | 53,480 | - | 937 | 54,417 |
| Advances | - | - | 1,500 | 1,500 |
| Other | 100 | - | - | 100 |
| Total liabilities | 112,981 | 12,122 | 55,101 | 180,204 |
| Deferred Inflows of Resources: | | | | |
| Accounts receivable | 7,623 | - | 68 | 7,691 |
| Grants receivable | 5,520 | 178 | 8,204 | 13,902 |
| Special assessment receivable | - | - | 2,025 | 2,025 |
| Unamortized leases | 9,722 | - | 43,152 | 52,874 |
| Total deferred inflows of resources | 22,865 | 178 | 53,449 | 76,492 |
| Fund Balances: | | | | |
| Nonspendable | 7,007 | - | 3,612 | 10,619 |
| Restricted | 161,426 | 209,932 | 386,265 | 757,623 |
| Committed | - | - | 240,672 | 240,672 |
| Assigned | 121,165 | - | - | 121,165 |
| Unassigned | 20,086 | - | (335) | 19,751 |
| Total fund balances | 309,684 | 209,932 | 630,214 | 1,149,830 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 445,530 | $ 222,232 | $ 738,764 | $ 1,406,526 |

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, 2024
(amounts expressed in thousands)

| | | |
|---|---|---|
| Fund balances - total governmental funds | | $ 1,149,830 |
| 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 | 983,851 | |
| Depreciable governmental capital assets, net | 1,069,412 | 2,053,263 |
| Certain receivables are not available to pay for current period expenditures and are reported as deferred inflows in the funds. | | 23,618 |
| 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. | | 4,506 |
| 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. | | 2,922 |
| 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. | | 98,071 |
| 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. | | (148,696) |
| 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 | (253,113) | |
| Accrued interest payable | (4,760) | |
| Financed purchase obligations | (11,467) | |
| Leases payable | (13,210) | |
| SBITAs payable | (15,470) | |
| Notes payable | (170,836) | |
| Arbitrage payable | (2,603) | |
| Net pension liability | (508,242) | |
| Total other postemployment benefits liability | (483,039) | |
| Compensated absences | (39,642) | (1,502,382) |
| 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. | | 73,242 |
| Net position of governmental activities | | $1,754,374 |

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, 2024
(amounts expressed in thousands)

| | General | Transportation Capital Improvements | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| REVENUES | | | | |
| Taxes | $ 460,138 | $ 25,179 | $ 157,695 | $ 643,012 |
| Licenses and permits | 2,284 | - | 16,254 | 18,538 |
| Intergovernmental | 162,357 | 8,497 | 95,964 | 266,818 |
| Charges for services | 51,840 | - | 35,179 | 87,019 |
| Fines and forfeitures | 165 | - | 6,247 | 6,412 |
| Impact fees | - | - | 83,991 | 83,991 |
| Special assessments | - | 80 | 742 | 822 |
| Investment earnings | 19,337 | 11,888 | 41,939 | 73,164 |
| Miscellaneous | 11,622 | 1,926 | 4,320 | 17,868 |
| Total revenues | 707,743 | 47,570 | 442,331 | 1,197,644 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 199,297 | - | 92,177 | 291,474 |
| Public safety | 349,536 | - | 51,598 | 401,134 |
| Physical environment | 9,745 | - | 15,351 | 25,096 |
| Transportation | - | 26,417 | 46,895 | 73,312 |
| Economic environment | 6,007 | - | 58,152 | 64,159 |
| Human services | 21,611 | - | 9,122 | 30,733 |
| Culture and recreation | 25,091 | - | 68,882 | 93,973 |
| Capital outlay | | | | |
| General government | 37,940 | - | 28,374 | 66,314 |
| Public safety | 24,548 | - | 6,728 | 31,276 |
| Physical environment | 206 | - | 1,398 | 1,604 |
| Transportation | - | 38,414 | 46,882 | 85,296 |
| Economic environment | - | - | 310 | 310 |
| Human services | 38 | - | 86 | 124 |
| Culture and recreation | 1,192 | - | 7,642 | 8,834 |
| Debt service | | | | |
| Principal retirement | 6,533 | - | 17,234 | 23,767 |
| Interest and fiscal charges | 932 | - | 11,669 | 12,601 |
| Total expenditures | 682,676 | 64,831 | 462,500 | 1,210,007 |
| Excess (deficiencies) of revenues over (under) expenditures | 25,067 | (17,261) | (20,169) | (12,363) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 15,750 | 21,270 | 153,559 | 190,579 |
| Transfers out | (106,212) | (5,459) | (105,092) | (216,763) |
| Insurance recoveries | 15,000 | - | - | 15,000 |
| Debt issuance | 177,263 | - | - | 177,263 |
| Lease issuance | 6,405 | - | 308 | 6,713 |
| SBITA issuance | 6,725 | - | 5,956 | 12,681 |
| Total other financing sources (uses) | 114,931 | 15,811 | 54,731 | 185,473 |
| Net change in fund balances | 139,998 | (1,450) | 34,562 | 173,110 |
| Fund balances - beginning | 169,686 | 211,382 | 595,652 | 976,720 |
| Fund balances - ending | $ 309,684 | $ 209,932 | $ 630,214 | $ 1,149,830 |

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, 2024

(amounts expressed in thousands)

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds: | | $ 173,110 |
| 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 | 193,758 | |
| Less current year depreciation and amortization | (75,716) | 118,042 |
| The net effect of various miscellaneous transactions involving capital and intangible assets (i.e., disposals, transfers, donations) is to decrease net position. | | (6,173) |
| 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. | | 1,355 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | 556 |
| 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 | (169,432) | |
| Financed purchase obligations issuance | (7,831) | |
| Lease issuance | (6,713) | |
| SBITA issuance | (12,681) | |
| Principal payments on bonds, notes, loans, lease obligations, and SBITAs | 23,767 | (172,890) |
| 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 | (7,106) | |
| Other postemployment benefits | (9,751) | |
| Change in compensated absences | (2,544) | |
| Change in arbitrage liability | (1,792) | (21,193) |
| 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 | (170) | |
| Amortization of bond premiums, discounts, refunding gains and losses | 1,739 | 1,569 |
| Internal service funds are used by management to charge the costs of certain activities to individual funds. | | |
| The net loss of the internal service funds is reported with governmental activities | | (9,221) |
| Change in net position of governmental activities | | $85,155 |

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, 2024
(amounts expressed in thousands)

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | $ 454,329 | $ 454,329 | $ 460,138 | $ 5,809 |
| Licenses and permits | 1,433 | 1,433 | 2,284 | 851 |
| Intergovernmental | 211,108 | 220,606 | 161,874 | (58,732) |
| Charges for services | 73,155 | 79,203 | 71,851 | (7,352) |
| Fines and forfeitures | 65 | 65 | 165 | 100 |
| Investment earnings | 21,232 | 22,974 | 14,750 | (8,224) |
| Miscellaneous | 14,202 | 16,742 | 10,653 | (6,089) |
| Total revenues | 775,524 | 795,352 | 721,715 | (73,637) |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 403,282 | 463,813 | 222,201 | 241,612 |
| Public safety | 339,633 | 346,463 | 349,536 | (3,073) |
| Physical environment | 16,247 | 18,511 | 9,745 | 8,766 |
| Economic environment | 6,257 | 10,312 | 6,007 | 4,305 |
| Human services | 31,753 | 34,913 | 21,611 | 13,302 |
| Culture and recreation | 28,705 | 28,705 | 25,091 | 3,614 |
| Capital outlay | | | | |
| General government | 1,173 | 6,167 | 28,304 | (22,137) |
| Public safety | 1,792 | 14,435 | 24,548 | (10,113) |
| Physical environment | 120 | 120 | 206 | (86) |
| Human services | - | - | 38 | (38) |
| Culture and recreation | 183 | 193 | 1,192 | (999) |
| Debt service | | | | |
| Principal retirement | 27,744 | 29,154 | 6,533 | 22,621 |
| Interest and fiscal charges | 14,000 | 14,000 | 932 | 13,068 |
| Total expenditures | 870,889 | 966,786 | 695,944 | 270,842 |
| Excess (deficiencies) of revenues over (under) expenditures | (95,365) | (171,434) | 25,771 | 197,205 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 322,806 | 353,184 | 353,025 | (159) |
| Transfers out | (425,478) | (444,214) | (443,487) | 727 |
| Insurance recoveries | - | - | 15,000 | 15,000 |
| Lease issuance | - | - | 1,669 | 1,669 |
| SBITA issuance | - | - | 3,558 | 3,558 |
| Debt issuance | - | 169,432 | 175,530 | 6,098 |
| Total other financing sources (uses) | (102,672) | 78,402 | 105,295 | 26,893 |
| Net change in fund balance | (198,037) | (93,032) | 131,066 | 224,098 |
| Fund balances - beginning | 186,642 | 186,643 | 201,227 | 14,584 |
| Fund balances - ending | $ (11,395) | $ 93,611 | $ 332,293 | $ 238,682 |

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, 2024
(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 | $ 209,988 | $ 77,522 | $ 32,970 | $ 100,389 | $ 9,542 | $ 430,411 | $ 69,133 |
| Restricted assets | | | | | | | |
| Cash, cash equivalents and investments | 27,673 | 23,036 | 4,219 | 1,043 | - | 55,971 | - |
| Cash and cash equivalents with fiscal agent | 24,384 | 13,805 | 8,636 | 8,010 | - | 54,835 | - |
| Receivables | | | | | | | |
| Accounts (net) | 10,732 | 13,938 | 4,004 | 8,514 | 126 | 37,314 | 335 |
| Grants | 25,719 | 566 | - | - | 2,008 | 28,293 | - |
| Special assessments | - | 368 | - | - | - | 368 | - |
| Leases | 4,829 | 11 | - | 11 | 46 | 4,897 | 377 |
| Accrued interest | 72 | 162 | 53 | 240 | 23 | 550 | 90 |
| Due from other funds | - | 136 | 4 | 840 | 71 | 1,051 | 45 |
| Due from other governments | - | - | 368 | 96 | - | 464 | 231 |
| Inventories | 151 | 2,991 | 372 | - | - | 3,514 | 761 |
| Prepaids | 2,936 | 232 | 302 | 44 | 4 | 3,518 | 1,516 |
| Total current assets | 306,484 | 132,767 | 50,928 | 119,187 | 11,820 | 621,186 | 72,488 |
| Noncurrent Assets: | | | | | | | |
| Restricted assets | | | | | | | |
| Cash, cash equivalents and investments | 144,924 | 101,153 | 2,417 | 34,892 | - | 283,386 | - |
| Receivables | | | | | | | |
| Accounts | 3,819 | 927 | - | - | - | 4,746 | - |
| Grants | - | 1,215 | - | - | - | 1,215 | - |
| Accrued interest | - | 139 | 8 | 13 | - | 160 | - |
| Due from other governments | - | - | 181 | - | - | 181 | - |
| Receivables | | | | | | | |
| Leases | 87,684 | 95 | - | 95 | 143 | 88,017 | 4,740 |
| Capital assets | | | | | | | |
| Non-depreciable | | | | | | | |
| Artwork | 293 | - | - | - | - | 293 | - |
| Land, easements, and rights of way | 132,436 | 33,616 | 44,485 | 28,099 | 9,100 | 247,736 | 510 |
| Construction in progress | 343,955 | 171,988 | - | 16,247 | 2,740 | 534,930 | 399 |
| Depreciable/amortizable | | | | | | | |
| Buildings | 376,704 | 134,899 | 11,182 | 129,548 | 51,616 | 703,949 | 4,163 |
| Improvements | 34,718 | 626,531 | 5,045 | 63,465 | 2,677 | 732,436 | 29 |
| Machinery and equipment | 125,346 | 213,452 | 6,674 | 231,936 | 43,423 | 620,831 | 75,871 |
| Software | 4,341 | 2,391 | 482 | - | 1,403 | 8,617 | 817 |
| Infrastructure | 416,039 | 461,288 | 290,638 | 32,552 | 1,993 | 1,202,510 | 283 |

(continued)

Lee County, Florida
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of September 30, 2024
(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 | - | - | - | - | - | - | 1,111 |
| Intangible right-to-use machinery and equipment | 99 | 604 | - | - | - | 703 | 4,361 |
| Intangible right-to-use infrastructure | - | - | - | - | - | - | 10,312 |
| Intangible right-to-use SBITA | 4,303 | 3,528 | - | 148 | 228 | 8,207 | 4,154 |
| Less accumulated depreciation and amortization | (442,948) | (896,818) | (179,239) | (308,935) | (39,916) | (1,867,856) | (58,002) |
| Unamortized bond insurance | - | - | 64 | - | - | 64 | - |
| Total noncurrent assets | 1,231,713 | 855,008 | 181,937 | 228,060 | 73,407 | 2,570,125 | 48,748 |
| Total assets | 1,538,197 | 987,775 | 232,865 | 347,247 | 85,227 | 3,191,311 | 121,236 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | | |
| Loss on refunding of debt | 3,055 | 1,525 | 229 | 25 | - | 4,834 | - |
| Unamortized pension costs and subsequent contributions | 12,338 | 6,296 | 1,105 | 2,571 | 4,161 | 26,471 | 1,727 |
| Unamortized other postemployment benefits costs | 13,483 | 7,817 | 1,637 | 3,230 | 6,998 | 33,165 | 1,821 |
| Total deferred outflows of resources | 28,876 | 15,638 | 2,971 | 5,826 | 11,159 | 64,470 | 3,548 |
| LIABILITIES | | | | | | | |
| Current liabilities: | | | | | | | |
| Contracts and accounts payable | 17,396 | 7,821 | 2,242 | 12,702 | 1,429 | 41,590 | 4,702 |
| Accrued liabilities | 1,376 | 695 | 108 | 271 | 410 | 2,860 | 223 |
| Refunds and rebates | 15,864 | - | - | - | - | 15,864 | - |
| Due to other funds | - | - | - | - | - | - | 1,446 |
| Due to other governments | 868 | 11,058 | 517 | 429 | 192 | 13,064 | 267 |
| Deposits | 1,438 | - | - | 3 | - | 1,441 | - |
| Accrued interest payable | 60 | 45 | - | 2 | 6 | 113 | 213 |
| Unearned revenues | 499 | 726 | - | 6,049 | 95 | 7,369 | - |
| Financed purchase obligation | - | 309 | - | - | - | 309 | - |
| Leases payable | 18 | 119 | - | - | - | 137 | 1,029 |
| SBITA payable | 943 | 838 | - | 74 | 73 | 1,928 | 1,368 |
| Self-insurance claims payable | - | - | - | - | - | - | 15,600 |
| Compensated absences | 1,537 | 148 | 26 | 51 | 63 | 1,825 | 37 |
| Net pension liability | 51 | 40 | 8 | 17 | 36 | 152 | 10 |
| Current liabilities payable from restricted assets: | | | | | | | |
| Contracts and accounts payable | 22,033 | 13,817 | 249 | 1,043 | - | 37,142 | - |
| Due to other governments | - | - | 52 | - | - | 52 | - |
| Deposits | 5,640 | 2,510 | 488 | - | - | 8,638 | - |
| Accrued interest payable | 8,894 | 1,737 | 1,421 | 585 | - | 12,637 | - |
| Unearned revenues | - | - | 3,430 | - | - | 3,430 | - |
| Notes payable - current | - | 6,557 | - | - | - | 6,557 | - |
| Revenue bonds payable - current | 15,490 | 12,220 | 7,215 | 7,425 | - | 42,350 | - |
| Total current liabilities | 92,107 | 58,640 | 15,756 | 28,651 | 2,304 | 197,458 | 24,895 |

(continued)

Lee County, Florida
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of September 30, 2024
(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 | - | - | - | - | - | - | 9,040 |
| Compensated absences | 888 | 2,347 | 412 | 812 | 993 | 5,452 | 598 |
| Financed purchase obligation | - | 618 | - | - | - | 618 | - |
| Leases payable | 12 | 242 | - | - | - | 254 | 12,412 |
| SBITA payable | 1,512 | 1,309 | - | - | 80 | 2,901 | 48 |
| Notes payable | - | 86,602 | - | - | - | 86,602 | - |
| Revenue bonds payable | 415,942 | 96,552 | 55,988 | 16,709 | - | 585,191 | - |
| Landfill closure and postclosure costs | - | - | - | 26,610 | - | 26,610 | - |
| Advances | - | - | - | - | 5,000 | 5,000 | - |
| Net pension liability | 43,899 | 24,256 | 4,436 | 9,926 | 17,256 | 99,773 | 6,439 |
| Total other postemployment benefits liability | 52,081 | 29,721 | 6,225 | 12,283 | 26,608 | 126,918 | 6,928 |
| Other | 7,013 | 417 | - | 30 | - | 7,460 | - |
| Total noncurrent liabilities | 521,347 | 242,064 | 67,061 | 66,370 | 49,937 | 946,779 | 35,465 |
| Total liabilities | 613,454 | 300,704 | 82,817 | 95,021 | 52,241 | 1,144,237 | 60,360 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Gain on refunding of debt | - | - | 105 | - | - | 105 | - |
| Unamortized pension costs | 4,780 | 2,803 | 527 | 1,149 | 2,093 | 11,352 | 725 |
| Unamortized other postemployment benefits costs | 23,041 | 15,543 | 3,256 | 6,424 | 13,915 | 62,179 | 3,624 |
| Unamortized leases | 90,563 | 101 | - | 101 | 186 | 90,951 | 4,937 |
| Total deferred inflows of resources | 118,384 | 18,447 | 3,888 | 7,674 | 16,194 | 164,587 | 9,286 |
| NET POSITION | | | | | | | |
| Net investment in capital assets | 645,964 | 562,362 | 116,187 | 175,216 | 71,910 | 1,571,639 | 28,743 |
| Restricted | | | | | | | |
| Capital projects | 53,968 | 65,371 | - | - | - | 119,339 | - |
| Debt service | 16,148 | 14,620 | 7,216 | 7,445 | - | 45,429 | - |
| Renewal and replacement | 500 | 21,890 | 2,605 | 14,012 | - | 39,007 | - |
| Unrestricted (deficit) | 118,655 | 20,019 | 23,123 | 53,705 | (43,959) | 171,543 | 26,395 |
| Total net position | $ 835,235 | $ 684,262 | $ 149,131 | $ 250,378 | $ 27,951 | $ 1,946,957 | $ 55,138 |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | | | | | | (18,104) | |
| Net position of business-type activities | | | | | | $ 1,928,853 | |

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, 2024

(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 | $ 64,164 | $ 125,160 | $ - | $ 136,859 | $ 3,977 | $ 330,160 | $ 180,389 |
| Tolls | - | - | 59,139 | - | - | 59,139 | - |
| Rentals and franchise fees | 11,110 | 219 | - | 3,471 | 211 | 15,011 | 519 |
| Concessions | 69,030 | - | - | - | - | 69,030 | - |
| Miscellaneous | 689 | 2,153 | 6 | 10,162 | 59 | 13,069 | - |
| Total operating revenues | 144,993 | 127,532 | 59,145 | 150,492 | 4,247 | 486,409 | 180,908 |
| Less: Rebates | (10,722) | - | - | - | - | (10,722) | - |
| Net operating revenues | 134,271 | 127,532 | 59,145 | 150,492 | 4,247 | 475,687 | 180,908 |
| OPERATING EXPENSES | | | | | | | |
| Salaries and wages | 34,572 | 24,508 | 4,032 | 9,864 | 15,462 | 88,438 | 6,367 |
| Employee benefits | 10,168 | 7,854 | 1,573 | 3,325 | 6,511 | 29,431 | 1,946 |
| Pension and OPEB expense (benefit) | 7,563 | 3,428 | 320 | 550 | 960 | 12,821 | 285 |
| Contractual services, materials and supplies | 42,996 | 38,722 | 5,698 | 115,129 | 4,576 | 207,121 | 18,388 |
| Utilities | 6,185 | 7,616 | 277 | 1,562 | 434 | 16,074 | 2,081 |
| Repairs and maintenance | 4,377 | 10,701 | 205 | 2,826 | 1,749 | 19,858 | 4,729 |
| Insurance | 3,874 | 1,608 | 2,832 | 589 | 790 | 9,693 | 15,575 |
| Insurance claims | - | - | - | - | - | - | 143,035 |
| Other | 3,271 | 4,747 | 7,362 | 1,854 | 1,387 | 18,621 | 2,761 |
| Depreciation and amortization | 27,585 | 50,395 | 6,670 | 16,751 | 4,698 | 106,099 | 7,016 |
| Total operating expenses | 140,591 | 149,579 | 28,969 | 152,450 | 36,567 | 508,156 | 202,183 |
| Operating income (loss) | (6,320) | (22,047) | 30,176 | (1,958) | (32,320) | (32,469) | (21,275) |
| NON-OPERATING REVENUES (EXPENSES) | | | | | | | |
| Investment earnings | 21,085 | 15,181 | 2,151 | 5,122 | 413 | 43,952 | 3,939 |
| Grants | 19,807 | 226 | - | 115,556 | 7,115 | 142,704 | 123 |
| Interest expense | (11,577) | (6,091) | (2,086) | (513) | (6) | (20,273) | (691) |
| Excess fees - City of Sanibel | - | - | (1,204) | - | - | (1,204) | - |
| Gain (loss) on disposal of capital assets | (3,514) | (58) | - | (174) | (169) | (3,915) | 407 |
| Loss on discontinued projects | - | (3,924) | - | - | - | (3,924) | - |
| Passenger facility charges | 20,965 | - | - | - | - | 20,965 | - |
| Customer facility charges | 18,817 | - | - | - | - | 18,817 | - |
| Other revenues | 7,612 | 645 | 329 | 101 | 80 | 8,767 | 264 |
| Other expenses | (4,921) | (541) | (1) | - | - | (5,463) | - |
| Total non-operating revenues (expenses) | 68,274 | 5,438 | (811) | 120,092 | 7,433 | 200,426 | 4,042 |

(continued)

Lee County, Florida

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Year Ended September 30, 2024

(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 | 61,954 | (16,609) | 29,365 | 118,134 | (24,887) | 167,957 | (17,233) |
| Capital grants and contributions | 52,936 | 45,405 | - | 21 | 5,073 | 103,435 | - |
| Special item - loss on discontinued project | (3,044) | - | - | - | - | (3,044) | - |
| Transfers in | - | - | - | 134 | 23,050 | 23,184 | 4,000 |
| Transfers out | - | - | - | - | - | - | (1,000) |
| Total contributions and transfers | 49,892 | 45,405 | - | 155 | 28,123 | 123,575 | 3,000 |
| Change in net position | 111,846 | 28,796 | 29,365 | 118,289 | 3,236 | 291,532 | (14,233) |
| Total net position - beginning | 723,389 | 655,466 | 119,766 | 132,089 | 24,715 | 1,655,425 | 69,371 |
| Total net position - ending | $ 835,235 | $ 684,262 | $ 149,131 | $ 250,378 | $ 27,951 | $ 1,946,957 | $ 55,138 |

| | |
|---|---|
| Change in net position | 291,532 |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | (5,012) |
| Change in net position of business-type activities | $ 286,520 |

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, 2024
(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 | $ 145,171 | $ 125,556 | $ 52,671 | $ 149,583 | $ 4,276 | $ 477,257 | $ 18,694 |
| Receipts from interfund services provided | - | - | - | - | - | - | 163,223 |
| Cash received from customer deposits | 548 | 616 | - | - | - | 1,164 | - |
| Cash returned from customer deposits | (158) | (697) | - | (25) | - | (880) | - |
| Payments to suppliers | (58,962) | (51,488) | (29,767) | (117,909) | (7,004) | (265,130) | (179,959) |
| Payments to employees | (44,066) | (29,423) | (5,008) | (11,891) | (19,417) | (109,805) | (7,722) |
| Payments for interfund services used | (7,950) | (11,084) | (1,745) | (3,303) | (6,872) | (30,954) | (1,968) |
| Net cash provided by (used in) operating activities | 34,583 | 33,480 | 16,151 | 16,455 | (29,017) | 71,652 | (7,732) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | | | |
| Non-capital grants received | 19,188 | 3,945 | - | 116,542 | 7,246 | 146,921 | - |
| Non-capital grants issued | - | - | (952) | (897) | - | (1,849) | (126) |
| Repayment of interfund loans received | - | - | - | (10,000) | - | (10,000) | (300) |
| Transfers in | - | - | - | 134 | 23,050 | 23,184 | 4,000 |
| Transfers out | - | - | - | - | - | - | (1,000) |
| Net cash provided by (used in) noncapital financing activities | 19,188 | 3,945 | (952) | 105,779 | 30,296 | 158,256 | 2,574 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | | | |
| Cash deposits for future debt issuance | 5,640 | - | 488 | - | - | 6,128 | - |
| Proceeds from capital debt | 9,000 | 45,000 | - | - | - | 54,000 | - |
| Proceeds from special assessments | - | 50 | - | - | - | 50 | - |
| Proceeds from capital grants | 45,725 | 20,635 | - | 21 | 6,447 | 72,828 | - |
| Proceeds from passenger facilities charges | 21,010 | - | - | - | - | 21,010 | - |
| Proceeds from customer facilities charges | 17,828 | - | - | - | - | 17,828 | - |
| Capital asset purchases | (128,909) | (89,703) | (262) | (34,491) | (4,697) | (258,062) | (3,527) |
| Principal paid on bonds, loans, leases, subscriptions and interfund loans | (24,769) | (21,662) | (6,880) | (7,139) | (76) | (60,526) | (2,293) |
| Interest paid on bonds, loans, leases, subscriptions and interfund loans | (18,408) | (6,026) | (3,015) | (1,351) | - | (28,800) | (761) |
| Proceeds from sale of capital assets | 275 | 74 | - | 93 | 72 | 514 | 443 |
| Net cash provided by (used in) capital and related financing activities | (72,608) | (51,632) | (9,669) | (42,867) | 1,746 | (175,030) | (6,138) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | |
| Interest on investments | 21,090 | 15,132 | 2,126 | 4,940 | 398 | 43,686 | 3,925 |
| Net cash provided by investing activities | 21,090 | 15,132 | 2,126 | 4,940 | 398 | 43,686 | 3,925 |
| Net increase (decrease) in cash and cash equivalents and investments | 2,253 | 925 | 7,656 | 84,307 | 3,423 | 98,564 | (7,371) |
| Cash and cash equivalents at beginning of year | 404,716 | 214,591 | 40,586 | 60,027 | 6,119 | 726,039 | 76,504 |
| Cash and cash equivalents at end of year | $ 406,969 | $ 215,516 | $ 48,242 | $ 144,334 | $ 9,542 | $ 824,603 | $ 69,133 |
| Classified as: | | | | | | | |
| Current assets | | | | | | | |
| Cash, cash equivalents and investments | $ 209,988 | $ 77,522 | $ 32,970 | $ 100,389 | $ 9,542 | $ 430,411 | $ 69,133 |
| Restricted assets | 52,057 | 36,841 | 12,855 | 9,053 | - | 110,806 | - |
| Non-current | | | | | | | |
| Restricted assets | 144,924 | 101,153 | 2,417 | 34,892 | - | 283,386 | - |
| Totals | $ 406,969 | $ 215,516 | $ 48,242 | $ 144,334 | $ 9,542 | $ 824,603 | $ 69,133 |

(continued)

Lee County, Florida
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2024
(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 |
| NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES | | | | | | | |
| Purchase of capital assets on account | $ 23,700 | $ 11,881 | $ - | $ 756 | $ 1,106 | $ 37,443 | $ 468 |
| Contributions of capital assets | - | 22,249 | - | - | - | 22,249 | - |
| Loss on disposal of capital assets | (1,394) | (132) | - | (267) | (241) | (2,034) | (36) |
| Capital assets acquired through lease and SBITA | 1,754 | - | - | 148 | 228 | 2,130 | - |
| Capital assets acquired through financed purchase obligation | - | 1,283 | - | - | - | 1,283 | - |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES: | | | | | | | |
| Operating income (loss) | $ (6,320) | $ (22,047) | $ 30,176 | $ (1,958) | $ (32,320) | $ (32,469) | $ (21,275) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | | | | |
| Depreciation and amortization | 27,585 | 50,395 | 6,670 | 16,751 | 4,698 | 106,099 | 7,016 |
| Other revenues | 8,033 | 685 | 329 | 101 | 80 | 9,228 | 512 |
| (Increase) decrease in accounts receivable | (7,471) | (2,678) | (1,917) | (164) | (73) | (12,303) | 441 |
| (Increase) decrease in lease receivable | 4,906 | 35 | - | 11 | (189) | 4,763 | 70 |
| (Increase) decrease in due from other funds | - | 197 | (4) | (566) | (71) | (444) | 485 |
| (Increase) decrease in due from other governments | - | - | (70) | (17) | - | (87) | (127) |
| (Increase) decrease in inventories | 134 | (501) | (93) | - | - | (460) | (21) |
| (Increase) decrease in other assets | (102) | 32 | 30 | - | 11 | (29) | (87) |
| Increase (decrease) in contracts and accounts payable | 1,261 | 2,686 | 2,034 | 659 | (405) | 6,235 | 2,635 |
| Increase in accrued liabilities | 224 | 213 | 28 | 69 | 97 | 631 | 89 |
| Increase in refunds and rebates | 11,505 | - | - | - | - | 11,505 | - |
| Increase (decrease) in due to other funds | - | - | (20,902) | (1) | - | (20,903) | 1,371 |
| Increase (decrease) in due to other governments | 96 | 4,387 | 27 | (58) | 46 | 4,498 | 21 |
| Increase (decrease) in customer deposits | 389 | (81) | - | (25) | - | 283 | - |
| Increase (decrease) in unearned revenues | (86) | (97) | 149 | (261) | 95 | (200) | - |
| Increase in compensated absences | 122 | 492 | 24 | 146 | 189 | 973 | 124 |
| Increase (decrease) in deferred inflows of resources related to leases | (5,493) | (38) | - | (12) | 185 | (5,358) | (124) |
| (Decrease) in net pension liability | (3,749) | (1,683) | (350) | (1,338) | (1,629) | (8,749) | (850) |
| Decrease in deferred outflows of resources related to pensions | 189 | 109 | 31 | 229 | 227 | 785 | 127 |
| Increase in deferred inflows of resources related to pensions | 3,753 | 2,023 | 359 | 820 | 1,379 | 8,334 | 538 |
| Increase in total other postemployment benefits liability | 11,437 | 6,820 | 1,288 | 2,637 | 5,652 | 27,834 | 1,384 |
| (Increase) in deferred outflows of resources related to other postemployment benefits | (7,137) | (4,010) | (817) | (1,627) | (3,515) | (17,106) | (901) |
| (Decrease) in deferred inflows of resources related to other postemployment benefits | (4,693) | (3,459) | (841) | (1,581) | (3,474) | (14,048) | (978) |
| Increase in landfill closure and postclosure costs | - | - | - | 2,640 | - | 2,640 | - |
| Increase in other liabilities | - | - | - | - | - | - | 1,818 |
| Total adjustments | 40,903 | 55,527 | (14,025) | 18,413 | 3,303 | 104,121 | 13,543 |
| Net cash provided by (used in) operating activities | $ 34,583 | $ 33,480 | $ 16,151 | $ 16,455 | $ (29,017) | $ 71,652 | $ (7,732) |

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, 2024
(amounts expressed in thousands)

| | | |
|---|---|---|
| ASSETS | | |
| Cash, cash equivalents and investments | $ | 59,162 |
| Accounts receivable | | 10 |
| Total Assets | | 59,172 |
| | | |
| LIABILITIES AND NET POSITION | | |
| Contracts and accounts payable | | 432 |
| Due to individuals | | 1,484 |
| Due to other governments | | 27,102 |
| Total Liabilities | | 29,018 |
| Fiduciary Net Position Restricted for | | |
| Individuals, organizations, and other governments | | 30,154 |
| Total Fiduciary Net Position | | 30,154 |
| Total Liabilities and Fiduciary Net Position | $ | 59,172 |

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, 2024
(amounts expressed in thousands)

| | | |
|---|---|---|
| ADDITIONS | | |
| Fees/Fines collected for other governments | $ | 1,876,609 |
| Registry and other deposits collected | | 59,687 |
| Total additions | | 1,936,296 |
| | | |
| DEDUCTIONS | | |
| Fees/Fines disbursed to other governments | | 1,876,609 |
| Registry and other deposits disbursed | | 54,848 |
| Total deductions | | 1,931,457 |
| | | |
| Change in Fiduciary Net Position | | 4,839 |
| Fiduciary Net Position - beginning | | 25,315 |
| Fiduciary Net Position - ending | $ | 30,154 |

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

# NOTES TO THE FINANCIAL *Statements*



*Photo Credit: Christine Boyd*

Lee County, Florida
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

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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 and fiduciary 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. 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 Tax Collector's internal service fund and 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 designee.

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) investment pool, the Florida Public Assets for Liquidity Management (FLPALM) investment pool and Florida Trust (FLTRUST) 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; disaster recovery; inventory held for resale; special revenue funds; and renewal and replacement. The government-wide statement of net position reports $523,406,000 of governmental activities restricted net position, of which $498,794,000 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 are not budgeted. Transactions related to Leases, Software Based Information Technology Arrangement Transactions (SBITAS), and Financed Purchase Obligations are not budgeted for all entities. 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 those commissions are not budgeted. In-kind grants for cybersecurity 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, 2024 (dollars in thousands):

| | Revenues | Expenditures | Other Financing Sources/(Uses) |
|---|---|---|---|
| Total Budgetary Basis (Non-GAAP) | $ 721,715 | $ 695,944 | $ 105,295 |
| Eliminations | (24,006) | (24,006) | - |
| Not budgeted: | | | |
| EMS adjustments | 3,555 | - | - |
| Fair Market Value | 4,531 | - | - |
| Unavailable Revenue Opioid Settlement | 1,005 | - | - |
| Unavailable Revenues - Grants | (204) | - | - |
| Inventory Adjustment | - | (38) | - |
| Lease transactions | 20 | 4,735 | 4,735 |
| SBITA transactions | (13) | 3,167 | 3,167 |
| Financed Purchase Obligations | - | 1,733 | 1,733 |
| TRIM | 500 | 500 | - |
| Cost Recovery | 524 | 524 | - |
| In-kind Grant Contributions | 116 | 116 | - |
| Total GAAP Basis | $ 707,743 | $ 682,676 | $ 114,931 |

## 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 2024 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, 2024.

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, 2024, the Disaster Recovery fund showed a deficit fund balance of $335,000. This is primarily due to the timing of reimbursement grants not received in fiscal year 2024 that will be received in fiscal year 2025.

### *Deficit Net Position*

At September 30, 2024, the Self Insurance General Liability Fund had a deficit net position of $4,664,000. 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 in fiscal year 2025.

# NOTE V. DETAIL NOTES ON ALL FUNDS

## *Cash and Equity in Pooled Cash and Investments, and Investments*

*Investment Portfolio*

As of September 30, 2024, 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 | $ 4,775 | | | N/A |
| Cash with Fiscal Agent | N/A | 72,855 | | | N/A |
| Demand Deposits | N/A | 215,716 | | | N/A |
| Local Government Investment Pool | | | | | |
| FLCLASS | 30 days | 23,898 | | | AAAm |
| Florida PRIME | 39 days | 1,225,571 | | | AAAm |
| FLFIT | 50 days | 23,556 | | | AAAf/S1 |
| FLPALM Portfolio | 35 days | 50,703 | | | AAAm |
| FLTRUST Day to Day Fund | 10 days | 1,045 | | | AAAm |
| Money Market Funds | N/A | 1,102 | | | N/A |
| U.S. Treasury Note | 10/15/2024 | 24,959 | N/A | N/A | N/A |
| U.S. Treasury Note | 11/15/2024 | 49,750 | N/A | N/A | N/A |
| U.S. Treasury Note | 2/28/2025 | 24,662 | N/A | N/A | N/A |
| Federal Agricultural Mortgage Corp | 12/2/2024 | 24,835 | N/A | N/A | N/A |
| Federal Agricultural Mortgage Corp | 12/2/2024 | 24,835 | N/A | N/A | N/A |
| Federal Agricultural Mortgage Corp | 2/24/2025 | 24,693 | 11/24/2024 | Qtr | N/A |
| Federal Agricultural Mortgage Corp | 2/23/2027 | 23,988 | 11/23/2024 | Qtr | N/A |
| Federal Farm Credit | 11/18/2024 | 24,870 | N/A | N/A | AA+ |
| Federal Farm Credit | 12/2/2024 | 17,835 | 44897 | Cont. | AA+ |
| Federal Farm Credit | 4/1/2026 | 20,236 | N/A | N/A | AA+ |
| Federal Farm Credit | 5/1/2026 | 20,097 | 5/1/2025 | Cont. | AA+ |
| Federal Farm Credit | 9/1/2026 | 23,642 | 9/1/2022 | Cont. | AA+ |
| Federal Farm Credit | 9/1/2026 | 23,642 | 9/1/2022 | Cont. | AA+ |
| Federal Farm Credit | 9/28/2026 | 23,633 | 9/28/2022 | Cont. | AA+ |
| Federal Farm Credit | 1/11/2027 | 23,751 | 1/11/2024 | Cont. | AA+ |
| Federal Farm Credit | 1/13/2027 | 23,849 | N/A | N/A | AA+ |
| Federal Home Loan Bank | 10/28/2024 | 24,927 | N/A | N/A | AA+ |
| Federal Home Loan Bank | 1/27/2025 | 49,413 | 10/27/2024 | Qtr | AA+ |
| Federal Home Loan Bank | 6/30/2026 | 23,811 | 12/30/2024 | Qtr | AA+ |
| Federal Home Loan Bank | 8/14/2026 | 23,723 | 12/14/2024 | Qtr | AA+ |
| Federal Home Loan Bank | 9/30/2026 | 23,708 | 12/30/2024 | Qtr | AA+ |
| Federal Home Loan Bank | 1/28/2027 | 23,861 | 10/28/2024 | Qtr | AA+ |
| Federal Home Loan Mortgage Co | 5/22/2026 | 25,124 | 5/22/2025 | Qtr | AA+ |
| Total | | $ 2,213,065 | | | |

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 | $ 955,020 |
| Restricted cash, cash equivalents and investments | 1,198,883 |
| *Custodial Funds:* | |
| Cash, cash equivalents and investments | 59,162 |
| Total | $ 2,213,065 |

*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, 2024, 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, 2024, 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, 2024 (dollars in thousands):

| | |
|---|---|
| *Investments by fair value level (Level 2)* | |
| Debt securities | |
| U.S. Treasury securities | $ 99,371 |
| Agency securities | 494,473 |
| Total debt securities | 593,844 |
| Total Investments by fair value level | $ 593,844 |
| | |
| *Investments measured at the net asset value (NAV)* | |
| Florida Cooperative Liquid Assets Securities System (FLCLASS) | $ 23,898 |
| Florida Fixed Income Trust (FLFIT) | 23,556 |
| Florida Public Assets for Liquidity Management (FLPALM) | 50,703 |
| Florida Local Government Trust (FLTRUST) | 1,045 |
| Total investments measured at the NAV | $ 99,202 |

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) | $ 23,898 | $ - | Daily | 3:00 p.m. EST (same day) | None |
| Florida Fixed Income Trust (FLFIT) | 23,556 | - | Daily | 4:00 p.m. EST (same day) | None |
| Florida Public Assets for Liquidity Management (FLPALM) | 50,703 | - | Daily | 2:00 p.m. EST (same day) | None |
| Florida Local Government Trust (FLTRUST) | 1,045 | - | Daily | 11:00 a.m. EST (same day) | None |
| Total investments measured at the NAV | $ 99,202 | $ - | | | |

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, 2024, Florida PRIME contained certain floating and adjustable rate securities. These investments represented 27.9 percent of Florida PRIME's portfolio at September 30, 2024.

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, 2024, 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, 2024, 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, 2024, accounts receivable for the County's major funds and all other funds in aggregate were as follows (dollars in thousands):

| | General Fund | Non-Major Governmental Funds | Total Governmental Funds |
|---|---|---|---|
| Accounts | $ 123,078 | $ 913 | $ 123,991 |
| Less: allowance for bad debt | (102,510) | - | (102,510) |
| Total net accounts receivable | $ 20,568 | $ 913 | $ 21,481 |

| | Port Authority | Water and Wastewater | Transportation Facilities | Solid Waste | Non-Major Enterprise Funds | Total Enterprise Funds | Internal Service Funds |
|---|---|---|---|---|---|---|---|
| Accounts | $ 11,232 | $ 14,219 | $ 13,252 | $ 8,514 | $ 126 | $ 47,343 | $ 335 |
| Less: allowance for bad debt | (500) | (281) | (9,248) | - | - | (10,029) | - |
| Total net accounts receivable | $ 10,732 | $ 13,938 | $ 4,004 | $ 8,514 | $ 126 | $ 37,314 | $ 335 |

### *Leases Receivable*

The County currently leases land, buildings, and equipment to various third parties. As of September 30, 2024, the County's lease receivables were valued at $151,456,000 and the deferred inflow of resources associated with these leases which will be recognized as revenue over the term of the leases was $148,762,000. 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, 2024 were as follows:

*Governmental Activities*

| | |
|---|---|
| Land – During the fiscal year, the County recognized $4,000 in lease revenue related to various land leases at an interest rate of 0.27 percent, with a term date of 2039. | $41,000 |
| Buildings – During the fiscal year, the County recognized $1,242,000 in lease revenue related to various building leases at interest rates from 0.27 percent to 3.28 percent, with term dates ranging from 2026 to 2066. | 50,122,000 |
| Infrastructure – During the fiscal year, the County recognized $973,000 in lease revenue related to various infrastructure (tower) leases at interest rates from 0.27 percent to 3.28 percent, with term dates ranging from 2026 to 2047. | 8,379,000 |
| Total Governmental Activities Lease Receivables | $58,542,000 |

*Business-Type Activities*

| | |
|---|---|
| Land – During the fiscal year, the County recognized $2,354,000 in lease revenue related to various land leases at interest rates from 0.27 percent to 4.48 percent, with term dates ranging from 2028 to 2092. Variable payments related to these land leases were $811,000 for the year. | $77,047,000 |
| Buildings – During the fiscal year, the County recognized $2,459,000 in lease revenue related to various building leases at interest rates from 0.86 percent to 2.47 percent, with term dates ranging from 2025 to 2036. Variable payments related to these building leases were $34,068,000 for the year. | 15,779,000 |
| Infrastructure – During the fiscal year, the County recognized $154,000 in lease revenue related to various infrastructure (tower) leases at an interest rate of 0.86 percent, with term dates in 2025. | 88,000 |
| Total Business-Type Activities Lease Receivables | $92,914,000 |

*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 |
| 2025 | $ 2,324 | $ 190 | $ 4,897 | $ 852 |
| 2026 | 1,700 | 165 | 4,836 | 803 |
| 2027 | 1,603 | 159 | 4,904 | 754 |
| 2028 | 1,587 | 154 | 4,871 | 704 |
| 2029 | 1,514 | 148 | 4,800 | 656 |
| 2030 - 2034 | 7,760 | 652 | 9,385 | 2,860 |
| 2035 - 2039 | 7,772 | 534 | 6,815 | 2,401 |
| 2040 - 2044 | 7,997 | 426 | 6,779 | 2,112 |
| 2045 - 2049 | 6,857 | 321 | 6,940 | 1,812 |
| 2050 - 2054 | 6,756 | 229 | 6,491 | 1,525 |
| 2055 - 2059 | 7,036 | 135 | 6,034 | 1,253 |
| 2060 - 2064 | 4,984 | 43 | 6,123 | 998 |
| 2065 - 2069 | 652 | 2 | 5,733 | 732 |
| 2070 - 2074 | - | - | 4,066 | 525 |
| 2075 - 2079 | - | - | 2,742 | 383 |
| 2080 - 2084 | - | - | 2,863 | 262 |
| 2085 - 2089 | - | - | 2,988 | 136 |
| 2090 - 2092 | - | - | 1,647 | 19 |
| | $ 58,542 | $ 3,158 | $ 92,914 | $ 18,787 |

*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, 2024:

| | |
|---|---|
| Land – During the fiscal year, the County recognized $2,889,000 in revenue related to regulated land leases, with term dates ranging from 2025 to 2049. Variable payments related to these signatory leases was $2,617,000 for the year. | $44,365,000 |
| Building (Hangar) – During the fiscal year, the County recognized $192,000 in revenue related to regulated building leases, with term dates ranging from 2029 to 2032. Variable payments related to these signatory leases was $21,187,000 for the year. | 2,448,000 |
| Total Business-Type Activities Regulated Leases | $46,813,000 |

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

| Fiscal Year(s) | Business-type Activities |
|---|---|
| 2025 | $ 3,116 |
| 2026 | 3,177 |
| 2027 | 3,228 |
| 2028 | 3,227 |
| 2029 | 3,177 |
| 2030 - 2034 | 13,749 |
| 2035 - 2039 | 11,677 |
| 2040 - 2044 | 5,013 |
| 2045 - 2049 | 449 |
| Total | $ 46,813 |

## *Capital Assets*

Capital asset activity for the fiscal year ended September 30, 2024, was as follows (dollars in thousands):

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| *Governmental Activities:* | | | | |
| Capital assets not being depreciated: | | | | |
| Artwork | $ 320 | $ - | $ (10) | $ 310 |
| Land, easements, and rights of way | 802,825 | 14,583 | (917) | 816,491 |
| Construction in progress | 114,599 | 138,820 | (85,460) | 167,959 |
| Total capital assets not being depreciated | 917,744 | 153,403 | (86,387) | 984,760 |
| Capital assets being depreciated/amortized: | | | | |
| Buildings | 623,167 | 12,485 | (895) | 634,757 |
| Improvements other than buildings | 244,371 | 10,295 | (791) | 253,875 |
| Machinery and equipment | 321,334 | 46,483 | (14,728) | 353,089 |
| Software | 19,871 | - | (76) | 19,795 |
| Infrastructure | 927,965 | 38,534 | - | 966,499 |
| Intangible right-to-use land | 33 | - | (1) | 32 |
| Intangible right-to-use building | 11,892 | 3,803 | (2,116) | 13,579 |
| Intangible right-to-use machinery and equipment | 5,171 | 3,734 | - | 8,905 |
| Intangible right-to-use infrastructure | 10,312 | - | - | 10,312 |
| Intangible right-to-use SBITA | 18,401 | 12,732 | (3,288) | 27,845 |
| Total capital assets being depreciated/amortized | 2,182,517 | 128,066 | (21,895) | 2,288,688 |
| Less accumulated depreciation/amortization for: | | | | |
| Buildings | 261,149 | 12,088 | (895) | 272,342 |
| Improvements other than buildings | 193,223 | 11,756 | (352) | 204,627 |
| Machinery and equipment | 203,726 | 24,409 | (12,213) | 215,922 |
| Software | 17,560 | 943 | (76) | 18,427 |
| Infrastructure | 425,166 | 23,352 | - | 448,518 |
| Intangible right-to-use land | 21 | 6 | - | 27 |
| Intangible right-to-use building | 2,454 | 1,349 | (788) | 3,015 |
| Intangible right-to-use machinery and equipment | 863 | 1,326 | - | 2,189 |
| Intangible right-to-use infrastructure | 846 | 423 | - | 1,269 |
| Intangible right-to-use SBITA | 4,846 | 7,080 | (2,085) | 9,841 |
| Total accumulated depreciation/amortization | 1,109,854 | 82,732 | (16,409) | 1,176,177 |
| Total capital assets being depreciated/amortized, net | 1,072,663 | 45,334 | (5,486) | 1,112,511 |
| Total governmental activities capital assets, net | $ 1,990,407 | $ 198,737 | $ (91,873) | $ 2,097,271 |
| *Business-Type Activities:* | | | | |
| Capital assets not being depreciated: | | | | |
| Artwork | $ 293 | $ - | $ - | $ 293 |
| Land, easements, and rights of way | 247,731 | 5 | - | 247,736 |
| Construction in progress | 385,407 | 232,939 | (83,416) | 534,930 |
| Total capital assets not being depreciated | 633,431 | 232,944 | (83,416) | 782,959 |
| Capital assets being depreciated/amortized: | | | | |
| Buildings | 676,943 | 27,028 | (22) | 703,949 |
| Improvements other than buildings | 718,563 | 14,235 | (362) | 732,436 |
| Machinery and equipment | 615,224 | 18,393 | (12,786) | 620,831 |
| Software | 8,017 | 600 | - | 8,617 |
| Infrastructure | 1,156,201 | 49,867 | (3,558) | 1,202,510 |
| Intangible right-to-use machinery and equipment | 99 | 604 | - | 703 |
| Intangible right-to-use SBITA | 5,435 | 3,083 | (311) | 8,207 |
| Total capital assets being depreciated/amortized | 3,180,482 | 113,810 | (17,039) | 3,277,253 |

## *Capital Assets (continued)*

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| Less accumulated depreciation/amortization for: | | | | |
| Buildings | 275,051 | 14,920 | (12) | 289,959 |
| Improvements other than buildings | 473,944 | 29,018 | (357) | 502,605 |
| Machinery and equipment | 375,817 | 31,126 | (12,052) | 394,891 |
| Software | 7,785 | 242 | - | 8,027 |
| Infrastructure | 642,841 | 28,950 | (2,258) | 669,533 |
| Intangible right-to-use machinery and equipment | 35 | 173 | - | 208 |
| Intangible right-to-use SBITA | 1,133 | 1,670 | (170) | 2,633 |
| Total accumulated depreciation/amortization | 1,776,606 | 106,099 | (14,849) | 1,867,856 |
| Total capital assets being depreciated/amortized, net | 1,403,876 | 7,711 | (2,190) | 1,409,397 |
| Total business-type activities capital assets, net | $ 2,037,307 | $ 240,655 | $ (85,606) | $ 2,192,356 |

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

| *Governmental activities:* | |
|---|---|
| General government | $ 22,926 |
| Public safety | 18,575 |
| Physical environment | 3,082 |
| Transportation | 26,689 |
| Economic environment | 386 |
| Human services | 223 |
| Culture and recreation | 10,851 |
| Total depreciation/amortization for governmental activities | $ 82,732 |

| *Business-type activities:* | |
|---|---|
| Port Authority | $ 27,585 |
| Water and Wastewater | 50,395 |
| Transportation Facilities | 6,670 |
| Solid Waste | 16,751 |
| Other non-major - Transit | 4,698 |
| Total depreciation / amortization for business-type activities | $ 106,099 |

## *Construction Commitments*

The County has active construction projects as of September 30, 2024. The significant commitments for remaining contracts were as follows (dollars in thousands):

| | Contract Amount | Amount Spent-to-date | Remaining Commitment | Retainage |
|---|---|---|---|---|
| Port Authority | $ 528,505 | $ 441,873 | $ 86,632 | $ 10,089 |
| Water and Wastewater | 82,801 | 54,639 | 28,162 | 2,614 |
| Solid Waste | 4,426 | 3,977 | 449 | 201 |
| Transportation | 242,704 | 99,069 | 143,635 | 7,256 |
| Other | 51,514 | 19,446 | 32,068 | 1,735 |
| Total | $ 909,950 | $ 619,004 | $ 290,946 | $ 21,895 |

## *Interfund Transactions*

### *Due To/From Other Funds*

Interfund balances for the year ended September 30, 2024, consisted of the following (dollars in thousands):

| | *Funds Reporting Due From Balances* | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | General Fund | Non-Major Gov't Funds | Water and Wastewater | Transportation Facilities | Solid Waste | Other Non-Major Transit | Internal Service Funds | Total |
| *Funds Reporting Due To Balances:* | | | | | | | | |
| General Fund | $ - | $ 1,822 | $ 136 | $ 4 | $ 840 | $ - | $ - | $ 2,802 |
| Transportation Capital Improvements | - | 3 | - | - | - | 71 | - | 74 |
| Non-Major Governmental Funds | 1,170 | 1,191 | - | - | - | - | 45 | 2,406 |
| Internal Service Funds | 1,446 | - | - | - | - | - | - | 1,446 |
| | $ 2,616 | $ 3,016 | $ 136 | $ 4 | $ 840 | $ 71 | $ 45 | $ 6,728 |

The majority of interfund balances as of September 30, 2024 are due to interfund billings for services and return of excess fees from the Constitutional Officers.

### *Advances To/From other Funds*

Interfund advances for the year ended September 30, 2024, consisted of the following (dollars in thousands):

| | *Advances From* | |
|---|---|---|
| | General Fund | Total |
| *Advances To:* | | |
| Non-Major Governmental Funds | $ 1,500 | $ 1,500 |
| Other Non-Major Transit | 5,000 | 5,000 |
| | $ 6,500 | $ 6,500 |

There were notable remaining advances in the amount of $5,000,000 from the General Fund to the Other Non-Major Transit Fund for general operations due to Hurricane Ian.

### *Interfund Transfers*

Interfund transfers for the year ended September 30, 2024, 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 | $ - | $ 21,270 | $ 58,653 | $ 134 | $ 22,155 | $ 4,000 | $ 106,212 |
| Transportation Capital Improvements | - | - | 4,577 | - | 882 | - | 5,459 |
| Non-Major Governmental Funds | 15,750 | - | 89,329 | - | 13 | - | 105,092 |
| Internal Service Funds | - | - | 1,000 | - | - | - | 1,000 |
| | $ 15,750 | $ 21,270 | $ 153,559 | $ 134 | $ 23,050 | $ 4,000 | $ 217,763 |

The majority of interfund transfers were for recurring annual transfers. There were notable transfers between Non-Major Governmental Funds of $3,700,000 for stadium maintenance and repairs and $30,800,000 for DOT operations. Electronic Franchise Fees in the amount of $18,000,000 were transferred out of the General Fund to Non-Major Governmental Funds.

## *Governmental Fund Balances*

At September 30, 2024, 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 | $ 507 | $ - | $ 3,612 | $ 4,119 |
| Advances | 6,500 | - | - | 6,500 |
| Total nonspendable | 7,007 | - | 3,612 | 10,619 |
| Restricted For: | | | | |
| Improvement districts | - | - | 14,853 | 14,853 |
| Culture & recreation | - | - | 16,749 | 16,749 |
| Economic development | 294 | - | 53,872 | 54,166 |
| Disaster recovery | 161,132 | - | - | 161,132 |
| Health, safety & welfare | - | - | 36,464 | 36,464 |
| Transportation roads | - | 209,932 | 227,366 | 437,298 |
| Debt service | - | - | 23,819 | 23,819 |
| Court programs | - | - | 3,583 | 3,583 |
| Public records | - | - | 5,910 | 5,910 |
| Inmate welfare | - | - | 855 | 855 |
| Driver's education | - | - | 369 | 369 |
| Law enforcement activities | - | - | 2,425 | 2,425 |
| Total restricted | 161,426 | 209,932 | 386,265 | 757,623 |
| Committed: | | | | |
| MSTU | - | - | 26,594 | 26,594 |
| Capital improvements | - | - | 148,966 | 148,966 |
| Court programs | - | - | 6,005 | 6,005 |
| Culture & recreation | - | - | 51,853 | 51,853 |
| Transportation roads | - | - | 5,943 | 5,943 |
| Health, safety & welfare | - | - | 1,311 | 1,311 |
| Total committed | - | - | 240,672 | 240,672 |
| Assigned to: | | | | |
| General government | 79,792 | - | - | 79,792 |
| Public safety | 2,187 | - | - | 2,187 |
| Physical environment | 1,537 | - | - | 1,537 |
| Economic environment | 621 | - | - | 621 |
| Human services | 2,913 | - | - | 2,913 |
| Culture & recreation | 631 | - | - | 631 |
| Economic development | 2,908 | - | - | 2,908 |
| Subsequent year's budget | 30,576 | - | - | 30,576 |
| Total assigned | 121,165 | - | - | 121,165 |
| Unassigned: | 20,086 | - | (335) | 19,751 |
| Total fund balances | $ 309,684 | $ 209,932 | $ 630,214 | $ 1,149,830 |

## *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, 2024, 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 $45,956,000. The total principal and interest paid for the current year was $5,966,000. The total principal and interest remaining to be paid is $152,600,000.

| 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 4.00% | 4.02% | $ 41,475,000 | $ 33,975,000 |
| Tourist Development Tax Refunding Revenue Bonds, Series 2019A | 2033 | 5.00% | 2.52% | 30,865,000 | 26,295,000 |
| 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 | 2.40% to 3.50% | 4.21% | 8,520,000 | 8,290,000 |
| | | | | | $ 104,380,000 |

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 $14,136,000 and $162,718,000, respectively. The total principal and interest remaining to be paid is $44,332,000.

| Issue | Maturity | Interest Rate | Effective Interest Rate | Amount Issued | Outstanding Balances |
|---|---|---|---|---|---|
| Non-Ad Valorem Refunding Revenue Bonds, Series 2012 | 2024 | 5.00% | 2.21% | $ 48,385,000 | $ 9,445,000 |
| Non-Ad Valorem Refunding Revenue Bonds, Series 2015 | 2026 | 5.00% | 3.18% | 48,640,000 | 31,685,000 |
| | | | | | $ 41,130,000 |

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 $4,629,000 and $21,033,000, respectively. The total principal and interest remaining to be paid is $178,499,000.

| 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 $32,906,000 and $70,252,000, respectively. The total principal and interest remaining to be paid is $578,745,000.

| 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 | 126,885,000 |
| Airport Revenue Bonds, Series 2021B | 2051 | 4.00% to 5.00% | 3.06% | 217,670,000 | 213,750,000 |
| | | | | | $ 374,060,000 |

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 $15,212,000 and $51,906,000 respectively. The total principal and interest remaining to be paid is $128,411,000.

| Issue | Maturity | Interest Rate | Effective Interest Rate | Amount Issued | Outstanding Balances |
|---|---|---|---|---|---|
| Water and Sewer Revenue Bonds, Series 2013A (Partially Refunded December 19, 2019) | 2024 | 5.00% | 3.48% | $ 53,755,000 | $ 1,360,000 |
| Water and Sewer Refunding Revenue Bonds, Series 2013B | 2027 | 5.00% | 4.45% | 39,440,000 | 14,225,000 |
| Water and Sewer Refunding Revenue Bonds, Series 2019 | 2043 | 2.01% to 3.30% | 3.17% | 104,835,000 | 92,795,000 |
| | | | | | $ 108,380,000 |

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 $9,895,000 and $38,997,000, respectively. The total principal and interest remaining to be paid is $73,533,000.

| Issue | Maturity | Interest Rate | Effective Interest Rate | Amount Issued | Outstanding Balances |
|---|---|---|---|---|---|
| Transportation Facilities Refunding Revenue Bonds, Series 2014 | 2035 | 3.00% to 5.00% | 3.18% | $ 106,570,000 | $ 59,520,000 |

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 and reimbursements) were $8,412,000 and $25,400,000, respectively. The total principal and interest remaining to be paid is $25,210,000.

| Issue | Maturity | Interest Rate | Effective Interest Rate | Amount Issued | Outstanding Balances |
|---|---|---|---|---|---|
| Solid Waste System Refunding Revenue Bonds, Series 2016 | 2027 | 2.00% to 5.00% | 2.05% | $ 66,160,000 | $ 23,415,000 |

The annual debt service requirements for revenue bonds at September 30, 2024, were as follows (dollars in thousands):

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| Fiscal Year(s) | Principal | Interest | Principal | Interest | Principal | Interest |
| 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 | 4,865 | 8,145 | 35,715 | 16,363 | 40,580 | 24,508 |
| 2030-2034 | 29,560 | 36,900 | 152,455 | 61,249 | 182,015 | 98,149 |
| 2035-2039 | 40,845 | 29,569 | 53,330 | 36,934 | 94,175 | 66,503 |
| 2040-2044 | 60,465 | 19,958 | 55,505 | 26,041 | 115,970 | 45,999 |
| 2045-2049 | 46,345 | 7,428 | 53,425 | 13,584 | 99,770 | 21,012 |
| 2050-2052 | - | - | 37,870 | 2,312 | 37,870 | 2,312 |
| Total | $ 235,990 | $ 139,441 | $ 565,375 | $ 240,524 | $ 801,365 | $ 379,965 |

| | Port Authority | | Water and Wastewater | | Transportation Facilities | | Solid Waste | |
|---|---|---|---|---|---|---|---|---|
| Fiscal Year(s) | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 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 | 20,010 | 13,681 | 12,650 | 1,471 | 3,055 | 1,211 | - | - |
| 2030-2034 | 114,285 | 52,455 | 20,880 | 4,754 | 17,290 | 4,040 | - | - |
| 2035-2039 | 34,010 | 33,443 | 11,255 | 3,083 | 8,065 | 408 | - | - |
| 2040-2044 | 42,335 | 24,927 | 13,170 | 1,114 | - | - | - | - |
| 2045-2049 | 53,425 | 13,584 | - | - | - | - | - | - |
| 2050-2052 | 37,870 | 2,312 | - | - | - | - | - | - |
| Total | $ 374,060 | $ 204,685 | $ 108,380 | $ 20,031 | $ 59,520 | $ 14,013 | $ 23,415 | $ 1,795 |

## *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, 2024, 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

## *Variable Debt*

*Direct Borrowing – Governmental Activities*

The County entered into a $2,500,000 non-revolving line of credit agreement on May 3, 2024 with a final maturity on May 3, 2026 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 252 basis points, but not greater than the maximum interest rate provisions of Section 215.84, Florida Statutes. Interest payments will be paid monthly on the unpaid balance until final maturity on May 3, 2026. Principal for all draws made against the line of credit is due on May 3, 2026. The County covenanted to budget and appropriate legally available non-ad valorem revenues. There was no outstanding balance as of September 30, 2024 and no interest was incurred during the current year. The unused line of credit as of September 30, 2024 was $2,500,000.

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.

*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, 2024, the rate was 5.48 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, 2024, there was no outstanding balance and the unused line of credit was $50,000,000. Interest paid for the current year was $54,000.

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.

## *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 2024 through 2036. Principal and interest paid for the current year and pledged revenues collected were $672,000 and $430,000, respectively. The total principal and interest remaining to be paid is $1,612,000.

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 |
|---|---|---|---|---|
| San Carlos | June 30, 2010 | 3.85% | $ 458,000 | $ 13,000 |
| Cherry Estates | November 4, 2014 | 4.16% | 1,985,000 | 508,000 |
| Harbor Drive | February 8, 2017 | 4.12% | 476,000 | 77,000 |
| Western Acres | February 8, 2017 | 4.12% | 808,000 | 27,000 |
| Cherry Estates Side Streets | February 28, 2019 | 4.86% | 211,000 | 117,000 |
| Oak Creek Road Repaving | October 3, 2019 | 4.51% | 163,000 | 75,000 |
| Burgundy Farm Road Paving | April 9, 2020 | 4.51% | 286,000 | 142,000 |
| Marina/Coral Circle Canal | December 17, 2020 | 3.52% | 243,000 | 184,000 |
| Sunset Cove Channel | December 17, 2020 | 3.04% | 180,000 | 121,000 |
| Telegraph Creek | November 5, 2021 | 3.51% | 184,000 | 140,000 |
| | | | | $ 1,404,000 |

On September 15, 2023, Lee County entered into an agreement with the State of Florida for a $25,000,000 Local Government Emergency Bridge Loan. Proceeds will be used for governmental operations. Maturity of the issue is two years from the date of delivery of October 23, 2023. No interest will accrue for the term of the loan if the loan is repaid by the maturity date. At the maturity date, simple interest at 10.00 percent will be computed on a basis of actual number of days elapsed over an assumed 360 day year from on the maturity date until the loan is repaid. An extension of six-months may be added to the maturity date if requested at any time before maturity date.

The loan is payable from a covenant to budget and appropriate legally available Non-Ad Valorem Revenues. Principal of $25,000,000 is payable on or before the maturity date of October 23, 2025. No principal was paid for the current year. Pledged revenues collected was $867,286,000. The total principal remaining to be paid is $25,000,000.

| Issue | Purpose | Maturity | Interest Rate | Loan Amount Issued | Outstanding Balance |
|---|---|---|---|---|---|
| Florida Department of Commerce Local Government Emergency Bridge Loan | Fund Governmental Operations | 2026 | 0.00% | $ 25,000,000 | $ 25,000,000 |
| | | | | | $ 25,000,000 |

The County entered into an agreement with the State of Florida, Division of Emergency Management to receive $144,432,000 from the Hurricane Recovery Grant Program. Pursuant to the 2023 Specific Appropriations 25676A, the Florida Legislative Appropriation Program ("LAP") provided resources to fund hurricane repairs and recovery to publicly owned facilities damaged by Hurricanes Ian and/or Nicole, infrastructure repairs, and loss of local and county revenues within the Federal Emergency Management Agency (FEMA) disaster declarations for Hurricane Ian and/or Hurricane Nicole. Terms and conditions to receive the funds are that the recipient has, or will have, a Public Assistance (PA) Project Worksheet (PW) on file. Funding will be used as an advanced payment or a zero percent loan to get projects started and shall be repaid up to the amount of the funds subsequently received from FEMA. The agreement terminates upon the completion of all eligible work and payment of all eligible costs in accordance with the Public Assistance Program requirements.

| | |
|---|---|
| Outstanding LAP loan payable | $ 144,432,000 |

*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 $51,906,000, respectively. The total principal and interest remaining to be paid is $36,093,000.

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 | $ 20,817,000 |
| Drinking Water State Revolving Fund Construction Loan Agreement DW3602A0 Executed February 28, 2017 | Advanced Water Meter Installation project | 2035 | 1.08% | 18,107,000 | 12,979,000 |
| | | | | | $ 33,796,000 |

On July 30, 2024, the Lee County Water and Wastewater System entered into the Clean Water State Revolving Fund Design and Construction Loan Agreement WW3602BO for Fort Myers Beach Water Reclamation Facilities Improvements. The loan matures in 2049 and is authorized up to $20,000,000 with an interest rate of .87 percent. Semi-annual payments are scheduled to start March 15, 2029. No funds have been drawn as of September 30, 2024.

*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 May 1st and November 1st. Principal and interest paid for the current year and pledged revenues collected were $4,190,000 and $51,906,000, respectively. The total principal and interest remaining to be paid is $16,758,000.

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 | $ 6,067,000 |
| Water and Sewer Refunding Revenue Bond, Series 2021B | 2028 | 1.00% | 17,791,000 | 10,321,000 |
| | | | | $ 16,388,000 |

The Lee County Water and Wastewater System entered into a loan agreement with a commercial bank to finance certain capital improvements to the Water and Sewer Utility System. The loan is secured solely by a pledge of the net revenues of the Lee County Water and Wastewater System. Interest payments are due semi-annually April 1st and October 1st, and principal is due annually on October 1st. Principal and interest paid for the current year and pledged revenues collected were $3,785,000 and $51,906,000, respectively. The total principal and interest remaining to be paid is $58,015,000.

In an event of default, the loan shall bear interest at the rate of 6.00 percent in excess of the Prime Rate of the bank which shall have a Prime Floor of 3.00 percent. This default rate shall continue until such default has been cured. In addition any amounts over fifteen days late shall be charged a fee of 6.00 percent of the amount overdue.

| Issue | Maturity | Interest Rate | Amount Issued | Outstanding Balances |
|---|---|---|---|---|
| Water and Sewer Refunding Revenue Bond, Series 2023 | 2038 | 4.28% | $ 45,000,000 | $ 42,975,000 |

The annual debt service requirements for notes payable at September 30, 2024, 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 |
| 2025 | $ 283 | $ 56 | $ 6,557 | $ 1,404 | $ 6,840 | $ 1,460 |
| 2026 | 25,234 | 45 | 8,926 | 2,209 | 34,160 | 2,254 |
| 2027 | 200 | 35 | 9,093 | 2,041 | 9,293 | 2,076 |
| 2028 | 200 | 27 | 9,260 | 1,869 | 9,460 | 1,896 |
| 2029 | 192 | 19 | 5,238 | 1,702 | 5,430 | 1,721 |
| 2030-2034 | 274 | 25 | 28,360 | 6,293 | 28,634 | 6,318 |
| 2035-2039 | 21 | 1 | 25,725 | 2,189 | 25,746 | 2,190 |
| | $ 26,404 | $ 208 | $ 93,159 | $ 17,707 | $ 119,563 | $ 17,915 |
| | 144,432 | Florida Legislative Appropriation Program Loan | | | 144,432 | |
| | $ 170,836 | | | | $ 263,995 | |

## *Financed Purchase Obligations*

The County had various financed purchase obligations outstanding at September 30, 2024 for equipment and vehicles:

*Governmental Activities*

Various financed purchase obligations collateralized by equipment and vehicles with total installments of $2,616,000 during the fiscal year with interest rates ranging from 1.48 percent to 8.93 percent. Outstanding maturities range from 2025 to 2033. The outstanding balance as of September 30, 2024 is $11,467,000.

Total Governmental Activities Financed Purchase Obligations Payable $11,467,000

*Business-Type Activities*

Two financed purchase obligations collateralized by vehicles with total installments of $338,000 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, 2024 is $927,000.

Total Business-Type Activities Financed Purchase Obligations Payable $927,000

Future principal and interest payments of financed purchase obligations as of September 30, 2024 were as follows (dollars in thousands):

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| Fiscal Year | Principal | Interest | Principal | Interest | Principal | Interest |
| 2025 | $ 2,838 | $ 385 | $ 309 | $ 29 | $ 3,147 | $ 414 |
| 2026 | 2,718 | 298 | 317 | 19 | 3,035 | 317 |
| 2027 | 1,961 | 211 | 148 | 10 | 2,109 | 221 |
| 2028 | 610 | 153 | 153 | 5 | 763 | 158 |
| 2029 | 621 | 129 | - | - | 621 | 129 |
| 2030 - 2033 | 2,719 | 267 | - | - | 2,719 | 267 |
| | $ 11,467 | $ 1,443 | $ 927 | $ 63 | $ 12,394 | $ 1,506 |

## *Leases Payable*

The County is currently committed to various non-cancellable leases of buildings, equipment, and infrastructure with terms in excess of one year. The leases payable for Governmental and Business-type Activities at September 30, 2024, were as follows:

*Governmental Activities*

Buildings – During the fiscal year, the County paid $1,066,000 related to various building leases with interest rates from 4.40 percent to 4.53 percent, with term dates ranging from 2025 to 2044. Variable costs associated with these building leases were $26,000 for the year. $11,019,000

| | |
|---|---|
| Equipment - During the fiscal year, the County paid $1,785,000 related to various equipment leases with interest rates from 3.37 percent to 9.14 percent, with term dates ranging from 2025 to 2029. | 5,627,000 |
| Infrastructure – During the fiscal year, the County paid $93,000 related to various infrastructure leases with an interest rate of 4.40 percent, with term dates ranging from 2034 to 2051. | 10,005,000 |
| Total Governmental Activities Leases Payable | $26,651,000 |

*Business-Type Activities*

| | |
|---|---|
| Equipment – During the fiscal year, the County paid $280,000 related to various equipment leases with interest rates from 4.44 percent to 5.46 percent, with term dates ranging from 2025 to 2027. | $391,000 |
| Total Business-Type Activities Leases Payable | $391,000 |

The future principal and interest lease payments as of September 30, 2024, were as follows (dollars in thousands):

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| Fiscal Year(s) | Principal | Interest | Principal | Interest | Principal | Interest |
| 2025 | $ 2,911 | $ 1,182 | $ 137 | $ 20 | $ 3,048 | $ 1,202 |
| 2026 | 3,118 | 1,045 | 137 | 13 | 3,255 | 1,058 |
| 2027 | 2,806 | 897 | 117 | 6 | 2,923 | 903 |
| 2028 | 2,028 | 763 | - | - | 2,028 | 763 |
| 2029 | 1,238 | 672 | - | - | 1,238 | 672 |
| 2030 - 2034 | 3,975 | 2,762 | - | - | 3,975 | 2,762 |
| 2035 - 2039 | 3,765 | 1,933 | - | - | 3,765 | 1,933 |
| 2040 - 2044 | 4,491 | 1,042 | - | - | 4,491 | 1,042 |
| 2045 - 2049 | 1,821 | 318 | - | - | 1,821 | 318 |
| 2050 - 2051 | 498 | 14 | - | - | 498 | 14 |
| Total | $ 26,651 | $ 10,628 | $ 391 | $ 39 | $ 27,042 | $ 10,667 |

## *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, 2024, were as follows:

*Governmental Activities*

| | |
|---|---|
| During the fiscal year, the County paid $6,431,000 in principal related to various SBITAs with interest rates ranging from 4.48 percent to 4.53 percent, with term dates ending in 2033. | $16,886,000 |

*Business-Type Activities*

During the fiscal year, the County paid $1,886,000 in principal related to various SBITAs with interest rates ranging from 4.48 percent to 4.76 percent, with term dates ending in 2028. $4,829,000

The future principal and interest SBITA payments as of September 30, 2024, were as follows (dollars in thousands):

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| Fiscal Year(s) | Principal | Interest | Principal | Interest | Principal | Interest |
| 2025 | $ 8,285 | $ 697 | $ 1,928 | $ 213 | $ 10,213 | $ 910 |
| 2026 | 4,777 | 373 | 1,646 | 123 | 6,423 | 496 |
| 2027 | 2,252 | 158 | 1,103 | 47 | 3,355 | 205 |
| 2028 | 825 | 70 | 152 | 6 | 977 | 76 |
| 2029 | 137 | 33 | - | - | 137 | 33 |
| 2030-2033 | 610 | 70 | - | - | 610 | 70 |
| Total | $ 16,886 | $ 1,401 | $ 4,829 | $ 389 | $ 21,715 | $ 1,790 |

## *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, 2024, consisted of the following (dollars in thousands):

| | |
|---|---|
| Self-insurance group health & dental | $ 9,314 |
| Sheriff internal service fund | 3,210 |
| Tax Collector internal service fund | 810 |
| Self-insurance general liability | 11,306 |
| Total self-insurance claims payable | $ 24,640 |

*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, 2024, is $10,063,000.

| | |
|---|---|
| Governmental Activites | $ 2,603,000 |
| Business-type Activites | 7,460,000 |
| | $ 10,063,000 |

## *Changes in Long-Term Debt*

Changes in bonded and other indebtedness of the County for the year ended September 30, 2024, were as follows (dollars in thousands):

| *Governmental Activities:* | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Bonds payable: | | | | | |
| Revenue bonds | $ 249,525 | $ - | $ (13,535) | $ 235,990 | $ 14,905 |
| Less/plus deferred amounts: | | | | | |
| Unamort discount/premium | 19,231 | - | (2,108) | 17,123 | - |
| Total bonds payable | 268,756 | - | (15,643) | 253,113 | 14,905 |
| Direct borrowing and direct placement notes payable | 1,994 | 169,432 | (590) | 170,836 | 283 |
| Direct borrowing - variable debt | 250 | - | (250) | - | - |
| Self-insurance claims payable | 22,835 | 143,035 | (141,230) | 24,640 | 15,600 |
| Arbitrage rebate payable | 811 | 1,792 | - | 2,603 | - |
| Financed purchase obligations | 5,870 | 7,831 | (2,234) | 11,467 | 2,838 |
| Leases payable | 23,592 | 7,538 | (4,479) | 26,651 | 2,911 |
| SBITAs payable | 11,783 | 12,681 | (7,578) | 16,886 | 8,285 |
| Compensated absences | 37,611 | 32,092 | (29,426) | 40,277 | 13,278 |
| Total governmental activity long-term liabilities | $ 373,502 | $ 374,401 | $ (201,430) | $ 546,473 | $ 58,100 |

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 | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| *Port Authority* | | | | | |
| Bonds payable: | | | | | |
| Revenue bonds | $ 388,810 | $ - | $ (14,750) | $ 374,060 | $ 15,490 |
| Less/plus deferred amounts: | | | | | |
| Unamort discount/premium | 64,272 | - | (6,900) | 57,372 | - |
| Total bonds payable | 453,082 | - | (21,650) | 431,432 | 15,490 |
| Direct borrowing - variable debt | - | 9,000 | (9,000) | - | - |
| Arbitrage rebate payable | 2,217 | 4,796 | - | 7,013 | - |
| Leases payable | 66 | - | (36) | 30 | 18 |
| SBITAs payable | 1,834 | 1,753 | (1,132) | 2,455 | 943 |
| Compensated absences | 2,303 | 4,155 | (4,033) | 2,425 | 1,537 |
| Total Port Authority long-term liabilities | $ 459,502 | $ 19,704 | $ (35,851) | $ 443,355 | $ 17,988 |
| *Water and Wastewater* | | | | | |
| Bonds payable: | | | | | |
| Revenue bonds | $ 120,240 | $ - | $ (11,860) | $ 108,380 | $ 12,220 |
| Less/plus deferred amounts: | | | | | |
| Unamort discount/premium | 654 | - | (262) | 392 | - |
| Total bonds payable | 120,894 | - | (12,122) | 108,772 | 12,220 |
| Direct borrowing and direct placement notes payable | 56,675 | 45,000 | (8,516) | 93,159 | 6,557 |
| Financed purchase obligations | 1,227 | 232 | (532) | 927 | 309 |
| Arbitrage rebate payable | - | 416 | - | 416 | - |
| Leases payable | - | 604 | (243) | 361 | 119 |
| SBITAs payable | 2,234 | 679 | (766) | 2,147 | 838 |
| Compensated absences | 2,003 | 3,009 | (2,517) | 2,495 | 148 |
| Total Water and Wastewater long-term liabilities | $ 183,033 | $ 49,940 | $ (24,696) | $ 208,277 | $ 20,191 |

*Changes in Long-Term Debt (continued)*

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| *Transportation Facilities* | | | | | |
| Bonds payable: | | | | | |
| Revenue bonds | $ 66,400 | $ - | $ (6,880) | $ 59,520 | $ 7,215 |
| Less/plus deferred amounts: | | | | | |
| Unamort discount/premium | 4,581 | - | (898) | 3,683 | - |
| Total bonds payable | 70,981 | - | (7,778) | 63,203 | 7,215 |
| Compensated absences | 414 | 480 | (456) | 438 | 26 |
| Total Transportation Facilities long-term liabilities | $ 71,395 | $ 480 | $ (8,234) | $ 63,641 | $ 7,241 |
| *Solid Waste* | | | | | |
| Bonds payable: | | | | | |
| Revenue bonds | $ 30,480 | $ - | $ (7,065) | $ 23,415 | $ 7,425 |
| Less/plus deferred amounts: | | | | | |
| Unamort discount/premium | 1,405 | - | (686) | 719 | - |
| Total bonds payable | 31,885 | - | (7,751) | 24,134 | 7,425 |
| Landfill closure & postclosure costs | 23,970 | 2,640 | - | 26,610 | - |
| Arbitrage rebate payable | - | 31 | - | 31 | - |
| SBITAs payable | - | 148 | (74) | 74 | 74 |
| Compensated absences | 716 | 1,035 | (888) | 863 | 51 |
| Total Solid Waste long-term liabilities | $ 56,571 | $ 3,854 | $ (8,713) | $ 51,712 | $ 7,550 |
| *Other Non-Major - Transit* | | | | | |
| SBITAs payable | $ - | $ 229 | $ (76) | $ 153 | $ 73 |
| Compensated absences | 867 | 1,481 | (1,292) | 1,056 | 63 |
| Total Other Non-Major long-term liabilities | $ 867 | $ 1,710 | $ (1,368) | $ 1,209 | $ 136 |
| *Total Business-Type Activities* | | | | | |
| Bonds payable: | | | | | |
| Revenue bonds | $ 605,930 | $ - | $ (40,555) | $ 565,375 | $ 42,350 |
| Less/plus deferred amounts: | | | | | |
| Unamort discount/premium | 70,912 | - | (8,746) | 62,166 | - |
| Total bonds payable | 676,842 | - | (49,301) | 627,541 | 42,350 |
| Direct borrowing - variable debt | - | 9,000 | (9,000) | - | - |
| Direct borrowing and direct placement notes payable | 56,675 | 45,000 | (8,516) | 93,159 | 6,557 |
| Total variable debt and notes payable | 56,675 | 54,000 | (17,516) | 93,159 | 6,557 |
| Landfill closure & postclosure costs | 23,970 | 2,640 | - | 26,610 | - |
| Arbitrage rebate payable | 2,217 | 4,796 | - | 7,460 | - |
| Financed purchase obligations | 1,227 | 232 | (532) | 927 | 309 |
| Leases payable | 66 | 604 | (279) | 391 | 137 |
| SBITAs payable | 4,068 | 2,809 | (2,048) | 4,829 | 1,928 |
| Compensated absences | 6,303 | 10,160 | (9,186) | 7,277 | 1,825 |
| Total business-type activity long-term liabilities | $ 771,368 | $ 75,241 | $ (78,862) | $ 768,194 | $ 53,106 |

## NOTE VI. SEGMENT INFORMATION

### *Segment Information- Port Authority*

The County has outstanding revenue bonds and an outstanding line of credit 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, 2024.

| | Southwest Florida International Airport |
|---|---|
| *Condensed Statement of Net Position* | |
| Assets | |
| Current assets | $ 191,971 |
| Restricted assets | 94,776 |
| Noncurrent assets | 39,278 |
| Capital assets (net) | 910,611 |
| Total assets | 1,236,636 |
| Deferred outflows of resources | 26,609 |
| Liabilities | |
| Current liabilities | 34,039 |
| Current liabilities payable from restricted assets | 52,056 |
| Noncurrent liabilities | 512,781 |
| Total liabilities | 598,876 |
| Deferred inflows of resources | 67,486 |
| Net position | |
| Net investment in capital assets | 565,702 |
| Restricted | 16,648 |
| Unrestricted | 14,533 |
| Total net position | $ 596,883 |
| *Condensed Statement of Revenues, Expenses, and Changes in Net Position* | |
| Operating revenues | |
| User fees | $ 51,459 |
| Rentals | 6,998 |
| Concessions | 68,934 |
| Miscellaneous | 624 |
| Less: Rebates | (10,722) |
| Total operating revenues | 117,293 |
| Operating expenses | |
| Depreciation | 24,030 |
| Other operating expenses | 94,213 |
| Total operating expenses | 118,243 |
| Operating income | (950) |

## *Segment Information- Port Authority (continued)*

| | Southwest Florida International Airport |
|---|---|
| Non-operating revenues (expenses) | |
| Investment earnings | 12,721 |
| Interest expense | (11,574) |
| Other non-operating | 17,413 |
| Total non-operating revenues (expenses) | 18,560 |
| Loss before capital contributions | 17,610 |
| Capital contributions | 47,121 |
| Special item - loss on ATCT | (1,695) |
| Transfers | 3,957 |
| Change in net position | 66,993 |
| Beginning net position | 529,890 |
| Ending net position | $ 596,883 |
| | |
| *Condensed Statement of Cash Flows* | |
| Net cash provided by (used in): | |
| Operating activities | $ 32,339 |
| Noncapital financing activities | 22,556 |
| Capital and related financing activities | (96,345) |
| Investing activities | 12,725 |
| Net increase | (28,725) |
| Beginning cash, cash equivalents and investments | 272,699 |
| Ending cash, cash equivalents and investments | $ 243,974 |

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 three single-employer, defined benefit other postemployment benefits plans ("OPEB"), the Group Health Program for Lee County administered by Aetna, the Lee County Sheriff Health Care Plan administered by the Self-Insured Benefit Administrator and the Lee County Tax Collector 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, Sheriff and Tax Collector 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 which excludes the Lee County Tax Collector, 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 2024. 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 | 130 | 987 | 325 |
| Retiree plus Spouse | | | | |
| Pre 65 Years Old | 988 | N/A | 1,975 | N/A |
| Medicare Eligible | 795 | 260 | 1,589 | 649 |
| Retiree Plus dependent | | | | |
| Pre 65 Years Old | 973 | N/A | 1,945 | N/A |
| Medicare Eligible | 780 | 260 | 1,559 | 649 |
| Retiree plus family | | | | |
| Pre 65 Years Old | 995 | N/A | 1,990 | N/A |
| Medicare Eligible (3) (spouse + one dep) | 802 | 389 | 1,604 | 974 |
| Life: | | | | |
| Individual Coverage | 13 | | 13 | |
| Spouse | N/A | | N/A | |

*Actuarial Methods and Assumptions*

At September 30, 2024, the County's GHPLC total OPEB liability of $386,774,000 was measured as of September 30, 2024, and was determined by an actuarial valuation as of October 1, 2023. 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 | 3.81% |
| 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, 2024, in the Bond Buyer GO 20-Bond Municipal Bond Index. The discount rate changed from 4.09 percent at September 30, 2023.

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 change in retirement rates based on the 2023 experience study for the FRS plan and health care cost trend rates were updated to reflect recent experience and expectations.

The actuarial assumptions used in the October 1, 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, 2023 | $298,106,000 |
| Changes for the year: | |
| Service Cost | 14,062,000 |
| Interest | 12,646,000 |
| Difference between Expected and Actual Experience | (3,174,000) |
| Changes in Assumptions | 71,142,000 |
| Benefit Payments | (6,008,000) |
| Net Changes | 88,668,000 |
| Balance at September 30, 2024 | $386,774,000 |

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 | $ 450,781,000 | $ 386,774,000 | $ 334,948,000 |

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 | $ 324,655,000 | $ 386,774,000 | $ 467,047,000 |

For the year ended September 30, 2024, the County recognized an OPEB benefit of $990,000. At September 30, 2024 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 | $ 437,000 | $ 32,414,000 |
| Changes in Actuarial Assumptions | 101,069,000 | 165,663,000 |
| Total | $ 101,506,000 | $ 198,077,000 |

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: | |
|---|---|
| 2025 | $(27,698,000) |
| 2026 | (17,425,000) |
| 2027 | (13,906,000) |
| 2028 | (20,155,000) |
| 2029 | (23,659,000) |
| Total Thereafter | 6,272,000 |

## *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, 2022, 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 $925 for single and $1,903 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, dental and life 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, 2024, the Sheriff's LCSHCP total OPEB liability of $213,719,000 was measured as of September 30, 2023, 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 | 4.63% |
| 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 29, 2023, of Fidelity Investments' 20-Year Municipal GO AA Index. The discount rate changed from 4.40 percent at September 30, 2022.

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, 2023 | $213,763,000 |
| Changes for the year: | |
| Service Cost | 3,897,000 |
| Interest | 9,431,000 |
| Change in benefit terms | 157,000 |
| Changes in Assumptions | (6,888,000) |
| Benefit Payments | (6,641,000) |
| Net Changes | (44,000) |
| Balance at September 30, 2024 | $213,719,000 |

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 | $ 245,993,000 | $ 213,719,000 | $ 187,020,000 |

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 | $ 178,848,000 | $ 213,719,000 | $ 258,135,000 |

For the year ended September 30, 2024, the County recognized OPEB expense of $2,630,000 related to the Sheriff. At September 30, 2024 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 | $ 7,163,000 | $ - |
| Difference Between Expected and Actual Experience | 25,311,000 | - |
| Changes in Actuarial Assumptions | 41,967,000 | 156,306,000 |
| Total | $ 74,441,000 | $ 156,306,000 |

Deferred outflows of resources included $7,163,000 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, 2025. 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: | |
|---|---|
| 2025 | $ (10,855,000) |
| 2026 | (10,855,000) |
| 2027 | (12,063,000) |
| 2028 | (12,964,000) |
| 2029 | (10,681,000) |
| Total Thereafter | (31,610,000) |

## *Lee County Tax Collector Health Care Plan*

### *Plan Description*

The Lee County Tax Collector's Office ("LCTC") operates a separate health care plan effective January 1, 2024. Lee County Tax Collector Health Care Plan ("LCTCHCP") offers medical, dental, vision and life insurance benefits (OPEB) to eligible LCTC retirees and their spouses. At September 30, 2024, the date of the latest actuarial valuation, plan participation consisted of 224 current active plan members and 70 retirees receiving postemployment health care benefits.

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

### *Funding Policy*

Medical benefits are provided through comprehensive plans and are made available to employees upon actual retirement. To qualify for retiree medical benefits, retirees must be eligible to retire under the provisions of the Florida Retirement System. Employees with six years of service with the LCTC are eligible for these subsidized benefits. Employees hired on or after January 1, 2008 and on or before September 30, 2018 and who retire between January 1, 2018 and September 30, 2018 are not eligible for the subsidy. The subsidy program offers retirees a direct subsidy of 60 percent for MAP participants and 50 percent for active medical plan participants. Vision, dental and life insurance are offered to retirees; however, they are not subsidized by LCTC. The Plan is funded on a pay-as-you-go basis. No trust fund has been established for the plan.

The current monthly rates for retiree Health Care coverage are as follows:

| | | |
|---|---|---|
| Retiree Only | $ | 1,296 |
| Retiree plus spouse | | 2,169 |
| Retiree plus children | | 2,136 |
| Retiree plus family | | 2,186 |
| Medicare | | 230 |

### *Actuarial Methods and Assumptions*

At September 30, 2024, the Tax Collector's LCTCHCP total OPEB liability of $16,392,000 was measured as of September 30, 2024, 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 | 2.50% |
| Salary Increases | 3.25% |
| Discount Rate | 3.81% |
| Healthcare cost trend rates | Based on Getzen Model with an initial trend of 6.00% |

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of September 30, 2024, the end of the applicable measurement period.

The actuarial assumptions used in the September 30, 2024 valuation were based on the results of ongoing evaluations of the assumptions from October 1, 2009 to September 30, 2024.

*Changes in the Total OPEB Liability*

| | |
|---|---|
| Balance at September 30, 2023 | $ - |
| Changes for the year: | |
| Service Cost | 17,750,000 |
| Interest | 567,000 |
| Changes in Assumptions | (1,231,000) |
| Benefit Payments | (694,000) |
| Net Changes | 16,392,000 |
| Balance at September 30, 2024 | $16,392,000 |

Service cost includes $16,773,000 expense as beginning balance as of January 1, 2024.

The following presents the total OPEB liability of the Tax Collector as well as what the Tax Collector'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 | $ 18,744,000 | $ 16,392,000 | $ 14,481,000 |

The following presents the total OPEB liability of the Tax Collector as well as what the Tax Collector'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 | $ 14,149,000 | $ 16,392,000 | $ 19,213,000 |

For the year ended September 30, 2024, the Tax Collector recognized OPEB expense of $18,163,000 which includes $16,773,000 in expense as beginning balance as of January 1, 2024. At September 30, 2024, the Tax Collector 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 |
|---|---|---|
| Changes in Actuarial Assumptions | - | 1,077,000 |
| Total | $ - | $ 1,077,000 |

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: | |
|---|---|
| 2025 | $ (205,000) |
| 2026 | (205,000) |
| 2027 | (205,000) |
| 2028 | (205,000) |
| 2029 | (205,000) |
| Total Thereafter | (52,000) |

*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 | LCTCHCP | Total |
|---|---|---|---|---|
| Total OPEB liability | $ 386,774,000 | $ 213,719,000 | $ 16,392,000 | $ 616,885,000 |
| Deferred outflows of resources related to OPEB | 101,506,000 | 74,441,000 | - | 175,947,000 |
| Deferred inflows of resources related to OPEB | 198,077,000 | 156,306,000 | 1,077,000 | 355,460,000 |
| OPEB expense (benefit) | (990,000) | 2,630,000 | 18,163,000 | 19,803,000 |

# 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, 2024 totaled $85,166,000.

## *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, 2023, were applied to employee salaries as follows: regular employees 11.51 percent, county elected officials 56.62 percent, senior management 32.46 percent, special risk 30.61 percent and DROP participants 19.13 percent. The County's contributions to the FRS Plan were $69,421,000 for the year ended September 30, 2024.

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

At September 30, 2024, the County reported a liability of $467,136,000 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. 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, 2023, through June 30, 2024, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2024, the County's proportion was 1.2075 percent, which was a decrease of 0.0006 percent from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the County recognized a pension expense of $77,007,000 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 | $ 47,193,000 | $ - |
| Changes in Actuarial Assumptions | 64,025,000 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | - | 31,047,000 |
| Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions | 38,349,000 | 15,471,000 |
| County Contributions Subsequent to the Measurement Date | 17,046,000 | - |
| Total | $ 166,613,000 | $ 46,518,000 |

Deferred outflows of resources related to pensions included $17,046,000 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, 2025. 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: | | |
|---|---|---|
| 2025 | $ | (1,609,000) |
| 2026 | | 83,774,000 |
| 2027 | | 14,096,000 |
| 2028 | | 2,564,000 |
| 2029 | | 4,224,000 |

*Actuarial Assumptions*

The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.40 %, per year |
| Salary increases | 3.50 %, 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-2021. The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

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% | 3.3% | 3.3% | 1.1% |
| Fixed Income | 29.0% | 5.7% | 5.6% | 3.9% |
| Global Equity | 45.0% | 8.6% | 7.0% | 18.2% |
| Real Estate | 12.0% | 8.1% | 6.8% | 16.6% |
| Private Equity | 11.0% | 12.4% | 8.8% | 28.4% |
| Strategic Investments | 2.0% | 6.6% | 6.2% | 8.7% |
| **Totals** | 100.0% | | | |
| Assumed Inflation - Mean | | | 2.4% | 1.5% |

*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 | $ 821,671,000 | $ 467,136,000 | $ 170,133,000 |

*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, 2024, 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, 2024, the contribution rate was 2 percent of payroll pursuant to section 112.363, Florida Statues. 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 $8,454,000 for the year ended September 30, 2024.

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

At September 30, 2024, the County reported a liability of $147,480,000 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. 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, 2023, through June 30, 2024, relative to the total employer contributions received from all participating employers. At June 30, 2024, the County's proportion was 0.9831 percent, which was a decrease of 0.0275 percent from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the County recognized pension expense of $8,159,000 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 | $ 1,424,000 | $ 283,000 |
| Changes in Actuarial Assumptions | 2,610,000 | 17,460,000 |
| Net Difference Between Projected and Actual Earnings on HIS Program Investments | - | 53,000 |
| Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions | 10,714,000 | 4,961,000 |
| County Contributions Subsequent to the Measurement Date | 2,106,000 | - |
| Total | $ 16,854,000 | $ 22,757,000 |

Deferred outflows of resources related to pensions included $2,106,000 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, 2025. 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: | |
|---|---|
| 2025 | $ (520,000) |
| 2026 | (1,303,000) |
| 2027 | (2,441,000) |
| 2028 | (1,427,000) |
| 2029 | (1,674,000) |
| Total Thereafter | (644,000) |

*Actuarial Assumptions*

The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.40 %, per year |
| Salary increases | 3.50 %, avg with inflation |
| Investment rate of return | 3.93 % |

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2021. The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

*Discount Rate*

The discount rate used to measure the total pension liability changed from 3.65 to 3.93 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 | 2.93% | 3.93% | 4.93% |
| County's Proportionate Share of the HIS Plan Net Pension Liability | $ 167,887,000 | $ 147,480,000 | $ 130,539,000 |

*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 | $ 467,136,000 | $ 147,480,000 | $ 614,616,000 |
| Deferred outflows of resources related to pensions | 166,613,000 | 16,854,000 | 183,467,000 |
| Deferred inflows of resources related to pensions | 46,518,000 | 22,757,000 | 69,275,000 |
| Pension expense | 77,007,000 | 8,159,000 | 85,166,000 |

## *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, 2024, 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 $11,117,000 for the year ended September 30, 2024.

# 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, Sheriff, and Tax Collector 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, 2024, 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, Sheriff's and Tax Collector'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. The Tax Collector has established a self-funded employee health plan (the Plan) for active employees and retirees. Changes in the County, Sheriff and Tax Collector funds' claims liability for the years ended September 30, 2024 and 2023, were as follows (dollars in thousands):

| | Beginning Liability | Claims and Changes in Estimates | Claim Payments | Ending Liability |
|---|---|---|---|---|
| *Self-Insurance Group Health and Dental:* | | | | |
| 2024 | $11,197 | $139,049 | ($136,912) | $13,334 |
| 2023 | 11,093 | 114,312 | (114,208) | 11,197 |
| *Self-Insurance General Liability:* | | | | |
| 2024 | $11,638 | 3,986 | (4,318) | 11,306 |
| 2023 | 11,590 | 3,856 | (3,808) | 11,638 |

## *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, postclosure care liability in the fund statements, $26,610,000, represents the cumulative portion of total estimated closure, and postclosure care as of September 30, 2024, based on the use of 28 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, 2024, was $89,135,000. The County will recognize the remaining estimated cost of closure and post closure care of $62,525,000 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, 2024. The Class I - MSW landfill facility configuration, as currently planned, is expected to provide approximately 20 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, 2024, cash and investments of $13,173,000 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 has an active construction project underway at Southwest Florida International Airport to consolidate three checkpoints into one, increase the size of the terminal building and increase concession space and offerings (Terminal Expansion Phase 1). The project was approved by the Board on September 1, 2021, for $331,586,000 with a construction timeline of 36 months. During construction, it was discovered that there were structural design errors in the initial design of a component of the project causing a delay. A review and redesign was completed which concluded that portions of the partial construction and materials would need to be re-constructed and that the initial project budget was significantly undervalued due to the design errors. Subsequently on March 24, 2025, the Board approved a contract modification to complete the project for an additional $346,792,000. Following a management evaluation, it was determined there is no impairment as of September 30, 2024.

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 $3,800,000 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 $9,390,000 for year-ending September 30, 2025.

For the year ended September 30, 2024, the Sheriff paid $17,787,000 for inmate medical services and $3,768,000 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.

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, 2024, are as follows:

| | Amount |
|---|---|
| General Fund | $ 87,681,000 |
| Other Governmental Funds | 553,767,000 |

## *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.

Eden Oak I, LLC and Eden Oak Shell Point, LLC served a notice of claim under the Bert Harris Act to Lee County. The claim in the amount of $28,595,000 is in connection with Lee County's denial to approve the owner's application to rezone the property from agricultural to residential planned development.

## *Subsequent Events*

On October 8, 2024, the County closed on the Transportation Facilities Refunding Revenue Bonds, Series 2024 in the amount of $48,270,000 to refund the outstanding Transportation Facilities Refunding Revenue Bonds, Series 2014.

October 9, 2024, the Lee County Port Authority closed on the Lee County Port Authority Airport Revenue Bonds, Series 2024 (AMT) in the amount of $522,160,000. Proceeds will be used for the design and construction of Phase 2 of the Airport System's Terminal Expansion project.

On November 7, 2024, the Lee County Port Authority amended and restated the Series 2020 Subordinate Airport Revenue Note with Bank of America. The second amendment changes the interest rate basis from Bloomberg Short Term Bank Yield ("BSBY") to the Daily Secured Overnight Financing Rate ("SOFR").

## *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. Additional assets related to the project were transferred to the FAA during 2024 resulting in a loss on discontinued project in the amount of $3,044,000 in 2024.




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# REQUIRED SUPPLEMENTARY *Information*

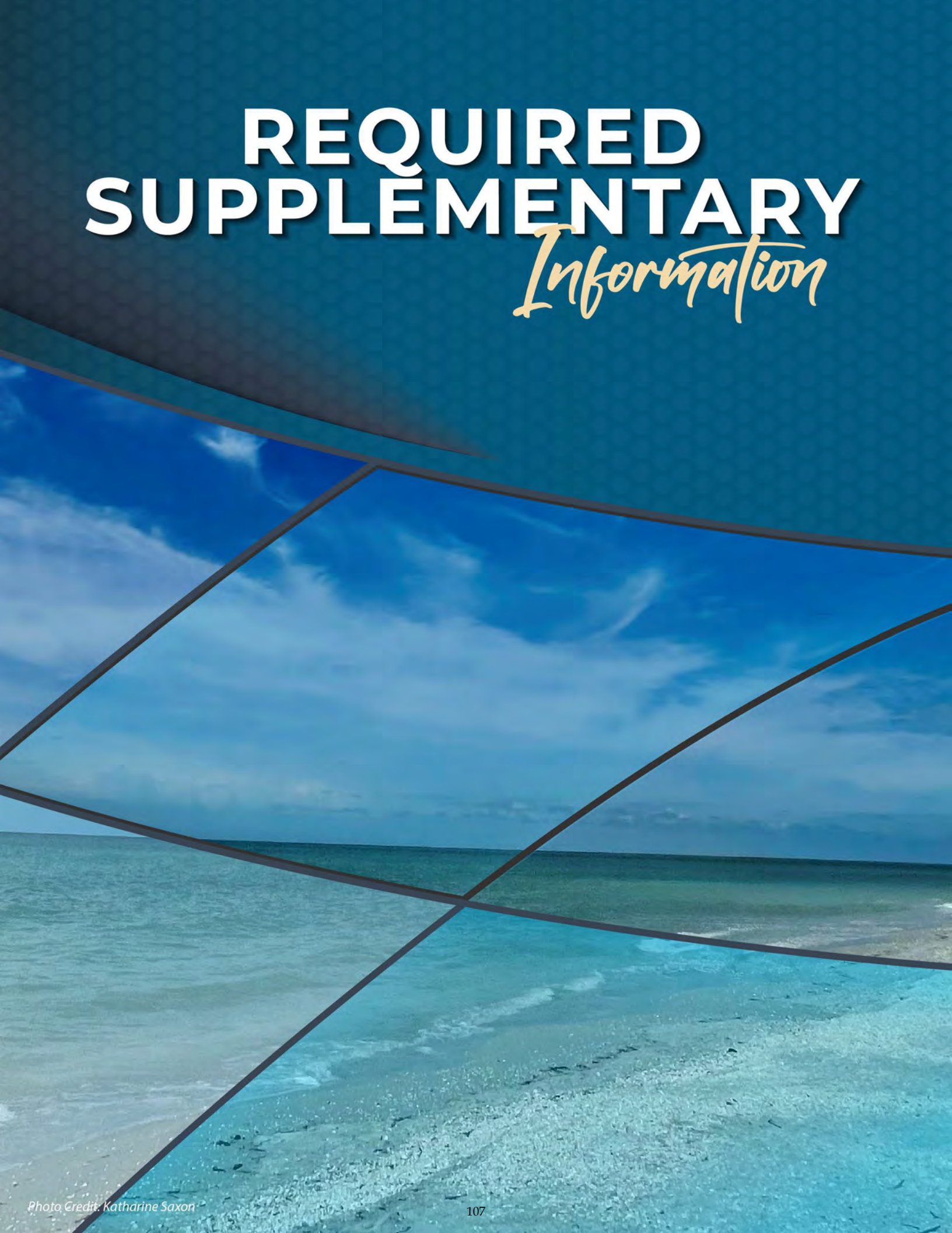


Photo Credit: Katharine Saxon

# Lee County, Florida
# REQUIRED SUPPLEMENTARY INFORMATION
## September 30, 2024

## 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** | **2024** |
| Service cost | $ 15,683 | $ 8,720 | $ 16,652 | $ 23,654 | $ 27,176 | $ 22,741 | $ 15,225 | $ 14,062 |
| Interest | 12,235 | 11,148 | 15,207 | 13,270 | 11,676 | 9,498 | 13,367 | 12,646 |
| Difference between expected and actual experience | 1,259 | 1,204 | (824) | (3,683) | (25,281) | (4,587) | (13,404) | (3,174) |
| 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) | 71,142 |
| Benefit payments | (9,678) | (9,067) | (7,883) | (5,200) | (7,736) | (4,884) | (6,499) | (6,008) |
| Net change in total OPEB liability | (86,919) | 49,014 | 126,745 | 27,212 | (105,053) | (79,459) | (22,395) | 88,668 |
| Total OPEB liability beginning | 388,961 | 302,042 | 351,056 | 477,801 | 505,013 | 399,960 | 320,501 | 298,106 |
| Total OPEB liability ending | $ 302,042 | $ 351,056 | $ 477,801 | $ 505,013 | $ 399,960 | $ 320,501 | $ 298,106 | $ 386,774 |
| Covered-employee payroll | $ 173,439 | $ 198,692 | $ 224,028 | $ 227,739 | $ 236,913 | $ 222,645 | $ 294,638 | $ 292,983 |
| OPEB liability as a percentage of covered-employee payroll | 174.15% | 176.68% | 213.28% | 221.75% | 168.82% | 143.95% | 101.18% | 132.01% |

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

**Notes to Schedule**

For the measurement date September 30, 2024, the amount reported as changes in assumptions resulted from the following:

- The discount rate changed from 4.09% at September 30, 2023 to 3.81% at September 30, 2024.
- The health care cost trend rates updated to reflect recent experience and expectations.
- The retirement rates changed based on the 2023 experience study for the FRS plan.
- Effective January 1, 2024, the Lee County Tax Collector terminated their participation in the plan.

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.

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.

- 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, 2024

## 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** | **2023** |
| Service cost | $ 8,466 | $ 10,834 | $ 9,900 | $ 7,313 | $ 9,816 | $ 7,477 | $ 8,304 | $ 3,897 |
| Interest | 9,205 | 9,024 | 10,023 | 9,373 | 8,527 | 6,207 | 6,032 | 9,431 |
| Difference between expected and actual experience | - | - | 4,211 | - | 9,583 | - | 21,117 | 157 |
| Changes of assumptions | 31,576 | (22,771) | (58,471) | 51,094 | (72,808) | 9,059 | (85,907) | (6,888) |
| Benefit payments | (5,099) | (4,607) | (4,738) | (4,703) | (5,148) | (5,496) | (5,839) | (6,641) |
| Net change in total OPEB liability | 44,148 | (7,520) | (39,075) | 63,077 | (50,030) | 17,247 | (56,293) | (44) |
| Total OPEB liability beginning | 242,209 | 286,357 | 278,837 | 239,762 | 302,839 | 252,809 | 270,056 | 213,763 |
| Total OPEB liability ending | $ 286,357 | $ 278,837 | $ 239,762 | $ 302,839 | $ 252,809 | $ 270,056 | $ 213,763 | $ 213,719 |
| Covered-employee payroll | $ 66,951 | $ 68,226 | $ 65,943 | $ 60,396 | $ 89,930 | $ 102,360 | $ 106,362 | $ 134,503 |
| OPEB liability as a percentage of covered-employee payroll | 427.71% | 408.70% | 363.59% | 501.42% | 281.12% | 263.83% | 200.98% | 158.90% |

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:
- Change in the discount rate from 4.40% as of the beginning of the measurement period to 4.63% as of September 30, 2023.

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, 2024

## Other Postemployment Benefits Plans
(unaudited)

## *Lee County Tax Collector Health Care Plan*
(dollars in thousands)

***Lee County Tax Collector Health Care Plan***
(dollars in thousands)

| | Measurement Date |
|---|---|
| **Total OPEB liability** | **2024*** |
| Service cost | $ 17,750 |
| Interest | 567 |
| Changes of assumptions | (1,231) |
| Benefit payments | (694) |
| Net change in total OPEB liability | 16,392 |
| Total OPEB liability beginning | - |
| Total OPEB liability ending | $ 16,392 |
| | |
| Covered-employee payroll | $ 13,097 |
| OPEB liability as a percentage of covered-employee payroll | 125.16% |

*Service cost for fiscal year 2024 includes $16.7M beginning balance for the Tax Collector's new OPEB plan.

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

**Notes to Schedule**
For the measurement date September 30, 2024, the amount reported as changes in assumptions resulted from the following:

- Change in the discount rate from 3.26% as of the beginning of the measurement period to 3.81% as of January 1, 2024.

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, 2024

## *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**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| County's Proportion of the Net Pension Liability | 0.9683% | 1.0422% | 1.0502% | 1.0927% | 1.1060% | 1.1008% | 1.0338% | 1.0630% | 1.2081% | 1.2075% |
| County's Proportionate Share of the Net Pension Liability | $ 125,074 | $ 263,144 | $ 310,644 | $ 329,132 | $ 380,876 | $ 477,097 | $ 78,094 | $ 395,509 | $ 481,405 | $ 467,136 |
| County's Covered Payroll** | $ 246,054 | $ 259,596 | $ 267,975 | $ 288,078 | $ 298,616 | $ 306,931 | $ 311,206 | $ 329,245 | $ 401,125 | $ 416,175 |
| County's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll | 50.83% | 101.37% | 115.92% | 114.25% | 127.55% | 155.44% | 25.09% | 120.13% | 120.01% | 112.25% |
| Plan Fiduciary Net Position as a Percentage of the total Pension Liability | 92.00% | 84.88% | 83.89% | 84.26% | 82.61% | 78.85% | 96.40% | 82.89% | 82.38% | 83.70% |

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually Required Contribution | $ 23,938 | $ 26,777 | $ 27,667 | $ 31,629 | $ 35,070 | $ 37,780 | $ 40,356 | $ 47,769 | $ 60,459 | $ 69,421 |
| Contributions in Relation to the Contractually Required Contribution | (23,938) | (26,777) | (27,667) | (31,629) | (35,070) | (37,780) | (40,356) | (47,769) | (60,459) | (69,421) |
| Contribution Deficiency (Excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Covered payroll | $ 248,447 | $ 262,679 | $ 272,610 | $ 289,589 | $ 302,411 | $ 312,965 | $ 311,795 | $ 342,128 | $ 405,725 | $ 422,219 |
| Contributions as a percentage of covered payroll | 9.64% | 10.19% | 10.15% | 10.92% | 11.60% | 12.07% | 12.94% | 13.96% | 14.90% | 16.44% |

*The amounts presented are on a September 30 basis.

Lee County, Florida
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2024

## *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**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| County's Proportion of the Net Pension Liability | 0.8103% | 0.8408% | 0.8409% | 0.8800% | 0.8932% | 0.8844% | 0.8792% | 0.9031% | 1.0106% | 0.9831% |
| County's Proportionate Share of the Net Pension Liability | $ 82,636 | $ 97,989 | $ 89,915 | $ 93,146 | $ 99,935 | $ 107,982 | $ 107,847 | $ 95,656 | $ 160,494 | $ 147,480 |
| County's Covered Payroll | $ 246,054 | $ 259,596 | $ 267,975 | $ 288,078 | $ 298,616 | $ 306,931 | $ 311,206 | $ 329,245 | $ 401,125 | $ 416,175 |
| County's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll | 33.58% | 37.75% | 33.55% | 32.33% | 33.47% | 35.18% | 34.65% | 29.05% | 40.01% | 35.44% |
| Plan Fiduciary Net Position as a Percentage of the total Pension Liability | 0.50% | 0.97% | 1.64% | 2.15% | 2.63% | 3.00% | 3.56% | 4.81% | 4.12% | 4.80% |

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

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually Required Contribution | $ 3,375 | $ 4,363 | $ 4,526 | $ 4,799 | $ 5,022 | $ 5,195 | $ 5,168 | $ 5,677 | $ 7,055 | $ 8,454 |
| Contributions in Relation to the Contractually Required Contribution | (3,375) | (4,363) | (4,526) | (4,799) | (5,022) | (5,195) | (5,168) | (5,677) | (7,055) | (8,454) |
| Contribution Deficiency (Excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Covered payroll | $ 248,447 | $ 262,679 | $ 272,610 | $ 289,589 | $ 302,411 | $ 312,965 | $ 311,795 | $ 342,128 | $ 405,725 | $ 422,219 |
| Contributions as a percentage of covered payroll | 1.36% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.74% | 2.00% |

*The amounts presented are on a September 30 basis.




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# SUPPLEMENTAL FINANCIAL *Information*




*Photo Credit: Dana Evans*




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# GENERAL *Fund*



*Photo Credit: Shelby Ely*

Lee County, Florida
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2024
(amounts expressed in thousands)

| | Board of County Commissioners | Clerk of Circuit Court | Property Appraiser | Sheriff |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash, cash equivalents and investments | $ 342,802 | $ 7,036 | $ 1,815 | $ 16,994 |
| Receivables | | | | |
| Accounts (net) | 19,431 | - | - | 1,066 |
| Accrued interest | 344 | - | - | - |
| Leases | 9,819 | - | - | - |
| Due from other funds | 15,012 | 75 | - | 128 |
| Due from other governments | 23,097 | 4 | - | - |
| Inventory | 458 | 49 | - | - |
| Inventory held for resale | 294 | - | - | - |
| Advances | 6,500 | - | - | - |
| Other | - | - | - | - |
| Total assets | 417,757 | 7,164 | 1,815 | 18,188 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 16,214 | 348 | 19 | 8,044 |
| Accrued liabilities | 2,339 | 458 | 169 | 8,396 |
| Due to other funds | 1,268 | 944 | 1,414 | 1,438 |
| Due to other governments | 10,391 | 549 | 213 | - |
| Due to individuals | - | - | - | 310 |
| Deposits | 1,524 | 4,757 | - | - |
| Unearned revenues | 53,372 | 108 | - | - |
| Other | 100 | - | - | - |
| Total liabilities | 85,208 | 7,164 | 1,815 | 18,188 |
| Deferred Inflows of Resources: | | | | |
| Accounts receivable | 7,623 | - | - | - |
| Grants receivable | 5,520 | - | - | - |
| Unamortized leases | 9,722 | - | - | - |
| Total deferred inflows of resources | 22,865 | - | - | - |
| Fund Balances: | | | | |
| Nonspendable | 6,958 | 49 | - | - |
| Restricted | 161,426 | - | - | - |
| Assigned | 121,165 | - | - | - |
| Unassigned | 20,135 | (49) | - | - |
| Total fund balances | 309,684 | - | - | - |
| Total liabilities and fund balances | $ 417,757 | $ 7,164 | $ 1,815 | $ 18,188 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2024
(amounts expressed in thousands)

| | Supervisor of Elections | Tax Collector | Eliminations | Total |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash, cash equivalents and investments | $ 2,156 | $ 10,949 | $ - | $ 381,752 |
| Receivables | | | | |
| Accounts (net) | 2 | 69 | - | 20,568 |
| Accrued interest | - | - | - | 344 |
| Leases | - | - | - | 9,819 |
| Due from other funds | - | 14 | (12,613) | 2,616 |
| Due from other governments | 1 | - | - | 23,102 |
| Inventory | - | - | - | 507 |
| Inventory held for resale | - | - | - | 294 |
| Advances | - | - | - | 6,500 |
| Other | 28 | - | - | 28 |
| Total assets | 2,187 | 11,032 | (12,613) | 445,530 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 342 | 256 | - | 25,223 |
| Accrued liabilities | 276 | 755 | - | 12,393 |
| Due to other funds | 1,569 | 8,782 | (12,613) | 2,802 |
| Due to other governments | - | 1,207 | - | 12,360 |
| Due to individuals | - | 32 | - | 342 |
| Deposits | - | - | - | 6,281 |
| Unearned revenues | - | - | - | 53,480 |
| Other | - | - | - | 100 |
| Total liabilities | 2,187 | 11,032 | (12,613) | 112,981 |
| Deferred Inflows of Resources: | | | | |
| Accounts receivable | - | - | - | 7,623 |
| Grants receivable | - | - | - | 5,520 |
| Unamortized leases | - | - | - | 9,722 |
| Total deferred inflows of resources | - | - | - | 22,865 |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | 7,007 |
| Restricted | - | - | - | 161,426 |
| Assigned | - | - | - | 121,165 |
| Unassigned | - | - | - | 20,086 |
| Total fund balances | - | - | - | 309,684 |
| Total liabilities and fund balances | $ 2,187 | $ 11,032 | $ (12,613) | $ 445,530 |

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, 2024
(amounts expressed in thousands)

| | Board of County Commissioners | Clerk of Circuit Court | Property Appraiser | Sheriff |
|---|---|---|---|---|
| REVENUES | | | | |
| Taxes | $ 460,138 | $ - | $ - | $ - |
| Licenses and permits | 2,284 | - | - | - |
| Intergovernmental | 158,709 | 1,328 | 2,299 | 21 |
| Charges for services | 25,761 | 6,265 | 501 | 1,229 |
| Fines and forfeitures | 165 | - | - | - |
| Investment earnings | 16,093 | 828 | 62 | 1,197 |
| Miscellaneous | 9,667 | 334 | - | 1,508 |
| Total revenues | 672,817 | 8,755 | 2,862 | 3,955 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 134,969 | 23,048 | 11,383 | 13,578 |
| Public safety | 83,053 | - | - | 266,483 |
| Physical environment | 9,745 | - | - | - |
| Economic environment | 6,007 | - | - | - |
| Human services | 21,611 | - | - | - |
| Culture and recreation | 25,091 | - | - | - |
| Capital outlay | | | | |
| General government | 28,923 | 816 | 112 | - |
| Public safety | 693 | - | - | 23,855 |
| Physical environment | 206 | - | - | - |
| Human services | 38 | - | - | - |
| Culture and recreation | 1,192 | - | - | - |
| Debt service | | | | |
| Principal retirement | 2,265 | 813 | 43 | 2,334 |
| Interest and fiscal charges | 323 | 32 | 3 | 456 |
| Total expenditures | 314,116 | 24,709 | 11,541 | 306,706 |
| Excess (deficiencies) of revenues over (under) expenditures | 358,701 | (15,954) | (8,679) | (302,751) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 21,336 | 16,017 | 9,995 | 293,504 |
| Transfers out | (431,529) | (785) | (1,409) | (1,356) |
| Insurance recoveries | 15,000 | - | - | - |
| Debt issuance | 169,432 | - | - | 6,098 |
| Lease issuance | 4,643 | - | 93 | 1,669 |
| SBITA issuance | 2,415 | 722 | - | 2,836 |
| Total other financing sources (uses) | (218,703) | 15,954 | 8,679 | 302,751 |
| Net change in fund balances | 139,998 | - | - | - |
| Fund balances - beginning | 169,686 | - | - | - |
| Fund balances - ending | $ 309,684 | $ - | $ - | $ - |

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, 2024
(amounts expressed in thousands)

| | Supervisor of Elections | Tax Collector | Eliminations | Total |
|---|---|---|---|---|
| REVENUES | | | | |
| Taxes | $ - | $ - | $ - | $ 460,138 |
| Licenses and permits | - | - | - | 2,284 |
| Intergovernmental | - | - | - | 162,357 |
| Charges for services | 17 | 42,073 | (24,006) | 51,840 |
| Fines and forfeitures | - | - | - | 165 |
| Investment earnings | - | 1,157 | - | 19,337 |
| Miscellaneous | 68 | 45 | - | 11,622 |
| Total revenues | 85 | 43,275 | (24,006) | 707,743 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 10,429 | 29,896 | (24,006) | 199,297 |
| Public safety | - | - | - | 349,536 |
| Physical environment | - | - | - | 9,745 |
| Economic environment | - | - | - | 6,007 |
| Human services | - | - | - | 21,611 |
| Culture and recreation | - | - | - | 25,091 |
| Capital outlay | | | | |
| General government | 1,733 | 6,356 | - | 37,940 |
| Public safety | - | - | - | 24,548 |
| Physical environment | - | - | - | 206 |
| Human services | - | - | - | 38 |
| Culture and recreation | - | - | - | 1,192 |
| Debt service | | | | |
| Principal retirement | 260 | 818 | - | 6,533 |
| Interest and fiscal charges | 4 | 114 | - | 932 |
| Total expenditures | 12,426 | 37,184 | (24,006) | 682,676 |
| Excess (deficiencies) of revenues over (under) expenditures | (12,341) | 6,091 | - | 25,067 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 12,173 | - | (337,275) | 15,750 |
| Transfers out | (1,565) | (6,843) | 337,275 | (106,212) |
| Insurance recoveries | - | - | - | 15,000 |
| Debt issuance | 1,733 | - | - | 177,263 |
| Lease issuance | - | - | - | 6,405 |
| SBITA issuance | - | 752 | - | 6,725 |
| Total other financing sources (uses) | 12,341 | (6,091) | - | 114,931 |
| Net change in fund balances | - | - | - | 139,998 |
| Fund balances - beginning | - | - | - | 169,686 |
| Fund balances - ending | $ - | $ - | $ - | $ 309,684 |

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, 2024
(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 | $ 454,329 | $ 460,138 | $ - | $ - | $ - | $ - |
| Licenses and permits | 1,433 | 2,284 | - | - | - | - |
| Intergovernmental | 217,658 | 158,866 | 1,260 | 1,328 | 1,667 | 1,659 |
| Charges for services | 30,127 | 22,253 | 6,504 | 6,278 | - | 1 |
| Fines and forfeitures | 65 | 165 | - | - | - | - |
| Investment earnings | 20,050 | 11,506 | 643 | 828 | - | 62 |
| Miscellaneous | 14,887 | 8,698 | 284 | 334 | - | - |
| Total revenues | 738,549 | 663,910 | 8,691 | 8,768 | 1,667 | 1,722 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 367,904 | 135,007 | 24,492 | 23,048 | 11,643 | 10,243 |
| Public safety | 79,190 | 83,053 | - | - | - | - |
| Physical environment | 18,511 | 9,745 | - | - | - | - |
| Economic environment | 10,312 | 6,007 | - | - | - | - |
| Human services | 34,913 | 21,611 | - | - | - | - |
| Culture and recreation | 28,705 | 25,091 | - | - | - | - |
| Capital outlay | | | | | | |
| General government | 108 | 21,865 | 216 | 816 | 19 | 19 |
| Public safety | 1,183 | 693 | - | - | - | - |
| Physical environment | 120 | 206 | - | - | - | - |
| Human services | - | 38 | - | - | - | - |
| Culture and recreation | 193 | 1,192 | - | - | - | - |
| Debt service | | | | | | |
| Principal retirement | 26,999 | 2,265 | - | 813 | - | 43 |
| Interest and fiscal charges | 14,000 | 323 | - | 32 | - | 3 |
| Total expenditures | 582,138 | 307,096 | 24,708 | 24,709 | 11,662 | 10,308 |
| Excess (deficiencies) of revenues over (under) expenditures | 156,411 | 356,814 | (16,017) | (15,941) | (9,995) | (8,586) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 21,495 | 21,336 | 16,017 | 16,017 | 9,995 | 9,995 |
| Transfers out | (441,034) | (431,529) | - | (785) | - | (1,409) |
| Insurance recoveries | - | 15,000 | - | - | - | - |
| Lease issuance | - | - | - | - | - | - |
| SBITA issuance | - | - | - | 722 | - | - |
| Debt issuance | 169,432 | 169,432 | - | - | - | - |
| Total other financing sources (uses) | (250,107) | (225,761) | 16,017 | 15,954 | 9,995 | 8,586 |
| Net change in fund balance | (93,696) | 131,053 | - | 13 | - | - |
| Fund balances - beginning | 186,643 | 201,132 | - | 95 | - | - |
| Fund balances - ending | $ 92,947 | $ 332,185 | $ - | $ 108 | $ - | $ - |

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, 2024
(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 | 21 | 21 | - | - | - | - |
| Charges for services | 1,229 | 1,229 | - | 17 | 41,343 | 42,073 |
| Fines and forfeitures | - | - | - | - | - | - |
| Investment earnings | 1,197 | 1,197 | - | - | 1,084 | 1,157 |
| Miscellaneous | 1,508 | 1,508 | - | 68 | 63 | 45 |
| Total revenues | 3,955 | 3,955 | - | 85 | 42,490 | 43,275 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 13,582 | 13,578 | 12,173 | 10,429 | 34,019 | 29,896 |
| Public safety | 267,273 | 266,483 | - | - | - | - |
| Physical environment | - | - | - | - | - | - |
| Economic environment | - | - | | - | - | - |
| Human services | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Capital outlay | | | | | | |
| General government | - | - | - | - | 5,824 | 5,604 |
| Public safety | 13,252 | 23,855 | - | - | - | - |
| Physical environment | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Debt service | | | | | | |
| Principal retirement | 2,155 | 2,334 | - | 260 | - | 818 |
| Interest and fiscal charges | - | 456 | - | 4 | - | 114 |
| Total expenditures | 296,262 | 306,706 | 12,173 | 10,693 | 39,843 | 36,432 |
| Excess (deficiencies) of revenues over (under) expenditures | (292,307) | (302,751) | (12,173) | (10,608) | 2,647 | 6,843 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 293,504 | 293,504 | 12,173 | 12,173 | - | - |
| Transfers out | (533) | (1,356) | - | (1,565) | (2,647) | (6,843) |
| Insurance recoveries | - | - | - | - | - | - |
| Lease issuance | - | 1,669 | - | - | - | - |
| SBITA issuance | - | 2,836 | - | - | - | - |
| Debt issuance | - | 6,098 | - | - | - | - |
| Total other financing sources (uses) | 292,971 | 302,751 | 12,173 | 10,608 | (2,647) | (6,843) |
| Net change in fund balance | 664 | - | - | - | - | - |
| Fund balances - beginning | - | - | - | - | - | - |
| Fund balances - ending | $ 664 | $ - | $ - | $ - | $ - | $ - |

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, 2024
(amounts expressed in thousands)

| | Total | | |
|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| REVENUES | | | |
| Taxes | $ 454,329 | $ 460,138 | $ 5,809 |
| Licenses and permits | 1,433 | 2,284 | 851 |
| Intergovernmental | 220,606 | 161,874 | (58,732) |
| Charges for services | 79,203 | 71,851 | (7,352) |
| Fines and forfeitures | 65 | 165 | 100 |
| Investment earnings | 22,974 | 14,750 | (8,224) |
| Miscellaneous | 16,742 | 10,653 | (6,089) |
| Total revenues | 795,352 | 721,715 | (73,637) |
| EXPENDITURES | | | |
| Current | | | |
| General government | 463,813 | 222,201 | 241,612 |
| Public safety | 346,463 | 349,536 | (3,073) |
| Physical environment | 18,511 | 9,745 | 8,766 |
| Economic environment | 10,312 | 6,007 | 4,305 |
| Human services | 34,913 | 21,611 | 13,302 |
| Culture and recreation | 28,705 | 25,091 | 3,614 |
| Capital outlay | | | |
| General government | 6,167 | 28,304 | (22,137) |
| Public safety | 14,435 | 24,548 | (10,113) |
| Physical environment | 120 | 206 | (86) |
| Human services | - | 38 | (38) |
| Culture and recreation | 193 | 1,192 | (999) |
| Debt service | | | |
| Principal retirement | 29,154 | 6,533 | 22,621 |
| Interest and fiscal charges | 14,000 | 932 | 13,068 |
| Total expenditures | 966,786 | 695,944 | 270,842 |
| Excess (deficiencies) of revenues over (under) expenditures | (171,434) | 25,771 | 197,205 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 353,184 | 353,025 | (159) |
| Transfers out | (444,214) | (443,487) | 727 |
| Insurance recoveries | - | 15,000 | 15,000 |
| Lease issuance | - | 1,669 | 1,669 |
| SBITA issuance | - | 3,558 | 3,558 |
| Debt issuance | 169,432 | 175,530 | 6,098 |
| Total other financing sources (uses) | 78,402 | 105,295 | 26,893 |
| Net change in fund balance | (93,032) | 131,066 | 224,098 |
| Fund balances - beginning | 186,643 | 201,227 | 14,584 |
| Fund balances - ending | $ 93,611 | $ 332,293 | $ 238,682 |

See accompanying independent auditors' report.

# MAJOR GOVERNMENTAL *Funds*

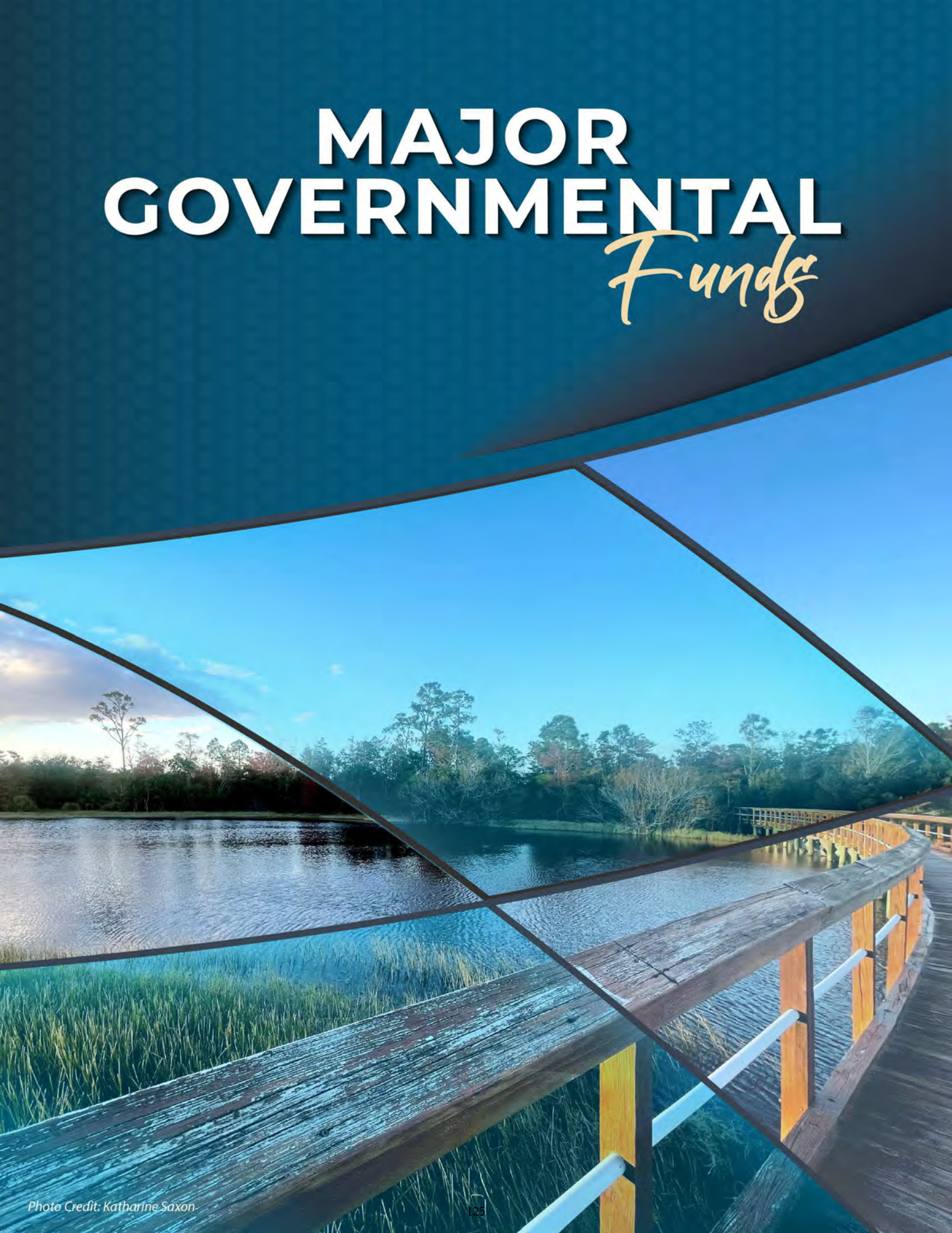


*Photo Credit: Katharine Saxon*

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, 2024
(amounts expressed in thousands)

| | Final Budget | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|
| REVENUES | | | |
| Taxes | $ 26,400 | $ 25,179 | $ (1,221) |
| Intergovernmental | 25,144 | 6,977 | (18,167) |
| Special assessments | - | 80 | 80 |
| Investment earnings | 2,310 | 5,224 | 2,914 |
| Miscellaneous | 5,763 | 1,926 | (3,837) |
| Total revenues | 59,617 | 39,386 | (20,231) |
| EXPENDITURES | | | |
| Current | | | |
| Transportation | 42,927 | 26,417 | 16,510 |
| Capital outlay | | | |
| Transportation | 198,539 | 38,414 | 160,125 |
| Total expenditures | 241,469 | 64,831 | 176,638 |
| Excess of revenues (deficiencies) over (under) expenditures | (181,852) | (25,445) | 156,407 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 21,270 | 21,270 | - |
| Transfers out | (5,523) | (5,459) | 64 |
| Total other financing sources (uses) | 15,747 | 15,811 | 64 |
| Net change in fund balance | (166,105) | (9,634) | 156,471 |
| Fund balances - beginning | 221,966 | 222,733 | 767 |
| Fund balances - ending | $ 55,861 | $ 213,099 | $ 157,238 |

| | |
|---|---|
| RECONCILIATION OF BUDGETARY BASIS TO GAAP | |
| Net change in fund balance (GAAP basis) | $ (1,450) |
| Fair value adjustment | (6,664) |
| Unavailable revenues | (1,520) |
| Net change in fund balance non-GAAP (budgetary basis) | $ (9,634) |

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

# NON-MAJOR GOVERNMENTAL *Funds*

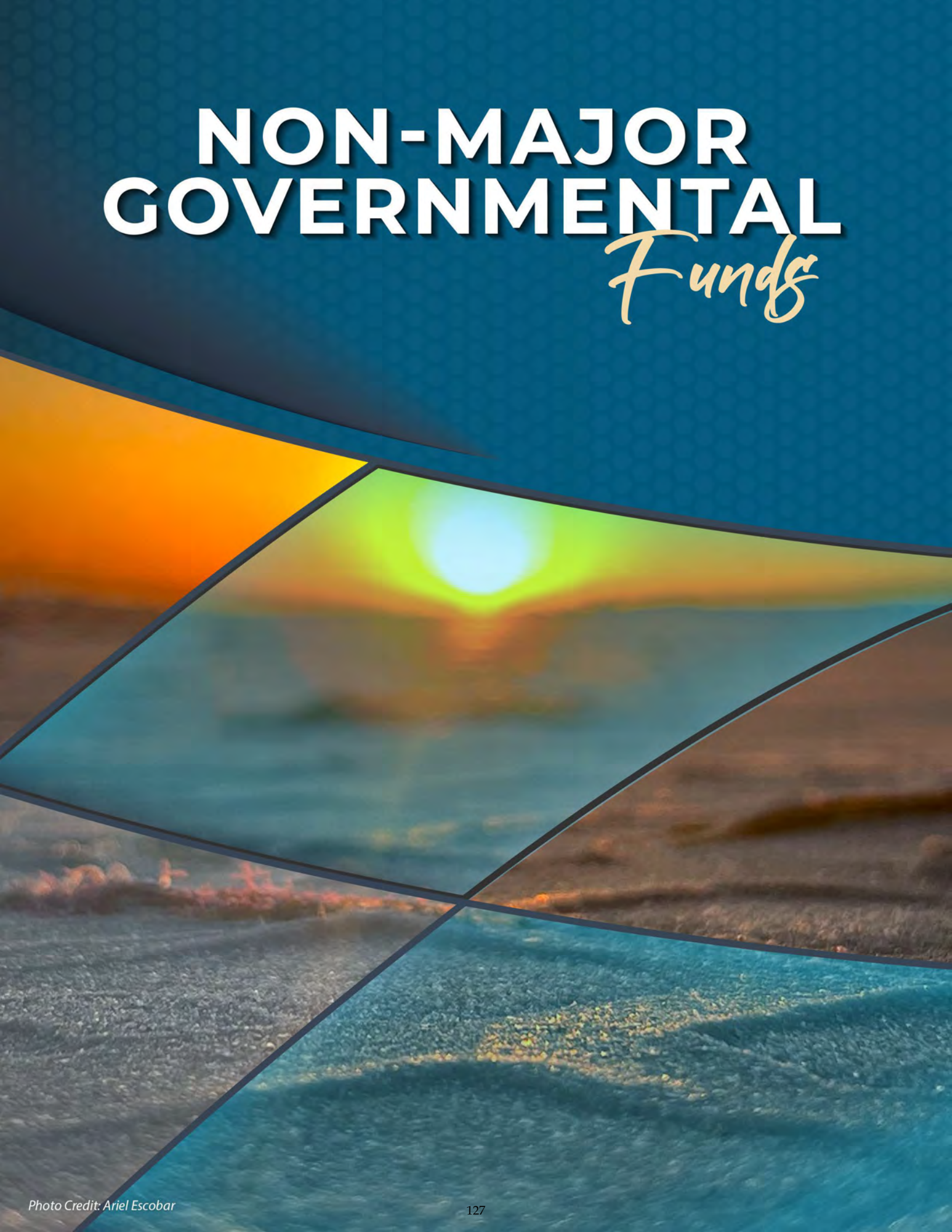


Photo Credit: Ariel Escobar

# *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.

*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 2013, 2019A, 2019B, and 2019C Bonds. Funding is from tourist development tax revenues, William Hammond Stadium and JetBlue Park rental revenue.

*MSBU Projects Commercial Loans*- 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 recover 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.

*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.

*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, 2024
(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 | $ 12,361 | $ 1,549 | $ 1,397 | $ 2,932 |
| Cash and cash equivalents with fiscal agent | - | - | - | - |
| Receivables | | | | |
| Accounts (net) | - | - | - | - |
| Special assessments | - | 1,834 | - | - |
| Accrued interest | 26 | 194 | 2 | 4 |
| Leases | - | - | - | - |
| Due from other funds | 63 | 3 | 780 | 145 |
| Due from other governments | - | - | - | 143 |
| Inventory | - | - | - | - |
| Advances | - | - | - | - |
| Other | - | - | - | - |
| Total assets | 12,450 | 3,580 | 2,179 | 3,224 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 28 | 6 | - | 191 |
| Accrued liabilities | - | 4 | - | 12 |
| Due to other funds | 24 | - | - | 24 |
| Due to other governments | - | 2 | - | 6 |
| Deposits | - | - | - | - |
| Unearned revenues | - | - | - | 81 |
| Advances | - | - | - | - |
| Total liabilities | 52 | 12 | - | 314 |
| Deferred inflows of resources: | | | | |
| Accounts receivable | - | - | - | - |
| Grants receivable | - | - | - | - |
| Special assessment receivable | - | 2,025 | - | - |
| Unamortized leases | - | - | - | - |
| Total deferred inflows of resources | - | 2,025 | - | - |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 12,398 | 1,543 | 2,179 | 2,910 |
| Committed | - | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 12,398 | 1,543 | 2,179 | 2,910 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 12,450 | $ 3,580 | $ 2,179 | $ 3,224 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2024
(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 | $ 22,956 | $ 365 | $ 40,739 | $ 5,421 |
| Cash and cash equivalents with fiscal agent | - | - | - | - |
| Receivables | | | | |
| Accounts (net) | - | - | - | - |
| Special assessments | - | - | - | - |
| Accrued interest | 49 | 1 | 101 | 11 |
| Leases | - | - | - | - |
| Due from other funds | - | - | 494 | - |
| Due from other governments | - | 364 | - | 636 |
| Inventory | - | - | - | - |
| Advances | - | - | - | - |
| Other | - | - | - | - |
| Total assets | 23,005 | 730 | 41,334 | 6,068 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 983 | 274 | 617 | 1,077 |
| Accrued liabilities | - | - | 325 | 14 |
| Due to other funds | - | 41 | 123 | - |
| Due to other governments | - | 82 | 162 | 11 |
| Deposits | - | - | - | - |
| Unearned revenues | - | 81 | 9 | - |
| Advances | - | - | - | - |
| Total liabilities | 983 | 478 | 1,236 | 1,102 |
| Deferred inflows of resources: | | | | |
| Accounts receivable | - | - | - | - |
| Grants receivable | - | - | - | 636 |
| Special assessment receivable | - | - | - | - |
| Unamortized leases | - | - | - | - |
| Total deferred inflows of resources | - | - | - | 636 |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 22,022 | 252 | - | 4,330 |
| Committed | - | - | 40,098 | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 22,022 | 252 | 40,098 | 4,330 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 23,005 | $ 730 | $ 41,334 | $ 6,068 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2024
(amounts expressed in thousands)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | MSTU | Tourist Development Trust Fund | Transportation Trust | All Hazards Protection |
| ASSETS | | | | |
| Cash, cash equivalents and investments | $ 25,133 | $ 54,130 | $ 6,097 | $ 5,606 |
| Cash and cash equivalents with fiscal agent | - | - | - | - |
| Receivables | | | | |
| Accounts (net) | 5 | - | 26 | - |
| Special assessments | - | - | - | - |
| Accrued interest | 54 | 182 | 9 | 14 |
| Leases | - | 43,565 | 41 | - |
| Due from other funds | 965 | 46 | - | 43 |
| Due from other governments | 3,702 | 24 | 1,352 | 3,569 |
| Inventory | 62 | 1 | 3,549 | - |
| Advances | - | - | - | - |
| Other | - | - | - | - |
| Total assets | 29,921 | 97,948 | 11,074 | 9,232 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 1,416 | 713 | 811 | 294 |
| Accrued liabilities | 742 | 82 | 439 | 37 |
| Due to other funds | 16 | 85 | 2 | - |
| Due to other governments | 440 | 84 | 221 | 18 |
| Deposits | - | - | - | - |
| Unearned revenues | 257 | - | - | 14 |
| Advances | - | - | - | 1,500 |
| Total liabilities | 2,871 | 964 | 1,473 | 1,863 |
| Deferred inflows of resources: | | | | |
| Accounts receivable | - | - | 68 | - |
| Grants receivable | 394 | - | - | 3,524 |
| Special assessment receivable | - | - | - | - |
| Unamortized leases | - | 43,111 | 41 | - |
| Total deferred inflows of resources | 394 | 43,111 | 109 | 3,524 |
| Fund Balances: | | | | |
| Nonspendable | 62 | 1 | 3,549 | - |
| Restricted | - | 53,872 | - | 3,845 |
| Committed | 26,594 | - | 5,943 | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 26,656 | 53,873 | 9,492 | 3,845 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 29,921 | $ 97,948 | $ 11,074 | $ 9,232 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2024
(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 | $ 5,947 | $ 2,222 | $ 106,447 | $ 2,600 |
| Cash and cash equivalents with fiscal agent | - | - | - | - |
| Receivables | | | | |
| Accounts (net) | - | - | - | - |
| Special assessments | - | - | - | - |
| Accrued interest | 11 | 8 | 209 | 4 |
| Leases | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | - | - | - | - |
| Inventory | - | - | - | - |
| Advances | - | - | - | - |
| Other | - | - | - | - |
| Total assets | 5,958 | 2,230 | 106,656 | 2,604 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 3 | 3 | 39 | - |
| Accrued liabilities | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to other governments | - | - | - | - |
| Deposits | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Advances | - | - | - | - |
| Total liabilities | 3 | 3 | 39 | - |
| Deferred inflows of resources: | | | | |
| Accounts receivable | - | - | - | - |
| Grants receivable | - | - | - | - |
| Special assessment receivable | - | - | - | - |
| Unamortized leases | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 5,955 | 2,227 | 106,617 | 2,604 |
| Committed | - | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 5,955 | 2,227 | 106,617 | 2,604 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 5,958 | $ 2,230 | $ 106,656 | $ 2,604 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2024
(amounts expressed in thousands)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Impact Fees - Fire | Impact Fees - School | Animal Trust Fund | Disaster Recovery |
| ASSETS | | | | |
| Cash, cash equivalents and investments | $ 1,366 | $ 7,567 | $ 1,385 | $ 4 |
| Cash and cash equivalents with fiscal agent | - | - | - | - |
| Receivables | | | | |
| Accounts (net) | - | - | - | - |
| Special assessments | - | - | - | - |
| Accrued interest | 2 | 12 | 3 | 3 |
| Leases | - | - | - | - |
| Due from other funds | - | - | 1 | - |
| Due from other governments | - | - | - | 5,080 |
| Inventory | - | - | - | - |
| Advances | - | - | - | - |
| Other | - | - | - | - |
| Total assets | 1,368 | 7,579 | 1,389 | 5,087 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 5 | 22 | 36 | 4,744 |
| Accrued liabilities | - | - | - | - |
| Due to other funds | - | - | 42 | 343 |
| Due to other governments | 1,363 | 7,160 | - | - |
| Deposits | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Advances | - | - | - | - |
| Total liabilities | 1,368 | 7,182 | 78 | 5,087 |
| Deferred inflows of resources: | | | | |
| Accounts receivable | - | - | - | - |
| Grants receivable | - | - | - | 335 |
| Special assessment receivable | - | - | - | - |
| Unamortized leases | - | - | - | - |
| Total deferred inflows of resources | - | - | - | 335 |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | 397 | - | - |
| Committed | - | - | 1,311 | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | (335) |
| Total fund balances | - | 397 | 1,311 | (335) |
| Total liabilities, deferred inflows of resources, and fund balances | $ 1,368 | $ 7,579 | $ 1,389 | $ 5,087 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2024
(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 | $ 1,347 | $ 25,801 | $ 335 | $ 1,656 |
| Cash and cash equivalents with fiscal agent | - | - | - | - |
| Receivables | | | | |
| Accounts (net) | - | - | - | 882 |
| Special assessments | - | - | - | - |
| Accrued interest | 3 | - | - | - |
| Leases | - | - | - | - |
| Due from other funds | 397 | - | - | 65 |
| Due from other governments | 510 | 126 | - | 116 |
| Inventory | - | - | - | - |
| Advances | - | - | - | - |
| Other | - | - | - | - |
| Total assets | 2,257 | 25,927 | 335 | 2,719 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 284 | 286 | 38 | 118 |
| Accrued liabilities | 334 | 326 | 25 | 105 |
| Due to other funds | 7 | 345 | 272 | 895 |
| Due to other governments | 291 | 3,773 | - | 5 |
| Deposits | - | 7,040 | - | - |
| Unearned revenues | - | - | - | 495 |
| Advances | - | - | - | - |
| Total liabilities | 916 | 11,770 | 335 | 1,618 |
| Deferred inflows of resources: | | | | |
| Accounts receivable | - | - | - | - |
| Grants receivable | - | - | - | - |
| Special assessment receivable | - | - | - | - |
| Unamortized leases | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | 9,493 | - | 1,101 |
| Committed | 1,341 | 4,664 | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 1,341 | 14,157 | - | 1,101 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 2,257 | $ 25,927 | $ 335 | $ 2,719 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2024
(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 | $ 5,054 | $ 33 | $ 774 | $ 150,764 |
| Cash and cash equivalents with fiscal agent | 4,612 | 13,408 | - | - |
| Receivables | | | | |
| Accounts (net) | - | - | - | - |
| Special assessments | - | - | - | - |
| Accrued interest | - | - | - | 298 |
| Leases | - | - | - | - |
| Due from other funds | 8 | - | - | 6 |
| Due from other governments | - | - | - | 8,029 |
| Inventory | - | - | - | - |
| Advances | - | - | - | - |
| Other | - | - | - | - |
| Total assets | 9,674 | 13,441 | 774 | 159,097 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | - | - | - | 4,322 |
| Accrued liabilities | - | - | - | 50 |
| Due to other funds | 46 | 24 | - | - |
| Due to other governments | - | - | - | 2,444 |
| Deposits | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Advances | - | - | - | - |
| Total liabilities | 46 | 24 | - | 6,816 |
| Deferred inflows of resources: | | | | |
| Accounts receivable | - | - | - | - |
| Grants receivable | - | - | - | 3,315 |
| Special assessment receivable | - | - | - | - |
| Unamortized leases | - | - | - | - |
| Total deferred inflows of resources | - | - | - | 3,315 |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 9,628 | 13,417 | 774 | - |
| Committed | - | - | - | 148,966 |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 9,628 | 13,417 | 774 | 148,966 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 9,674 | $ 13,441 | $ 774 | $ 159,097 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2024
(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 | $ 1,678 | $ 78,578 | $ 47 | $ 11,962 |
| Cash and cash equivalents with fiscal agent | - | - | - | - |
| Receivables | | | | |
| Accounts (net) | - | - | - | - |
| Special assessments | - | - | - | - |
| Accrued interest | 2 | - | - | 14 |
| Leases | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | - | - | - | - |
| Inventory | - | - | - | - |
| Advances | - | - | - | - |
| Other | - | - | - | - |
| Total assets | 1,680 | 78,578 | 47 | 11,976 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | 651 | 5,041 | - | 221 |
| Accrued liabilities | - | - | - | - |
| Due to other funds | 117 | - | - | - |
| Due to other governments | - | - | - | - |
| Deposits | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Advances | - | - | - | - |
| Total liabilities | 768 | 5,041 | - | 221 |
| Deferred inflows of resources: | | | | |
| Accounts receivable | - | - | - | - |
| Grants receivable | - | - | - | - |
| Special assessment receivable | - | - | - | - |
| Unamortized leases | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 912 | 73,537 | 47 | - |
| Committed | - | - | - | 11,755 |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 912 | 73,537 | 47 | 11,755 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 1,680 | $ 78,578 | $ 47 | $ 11,976 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2024
(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 | $ 320 | $ 4,106 | $ 4,483 | $ 49,515 |
| Cash and cash equivalents with fiscal agent | - | - | - | - |
| Receivables | | | | |
| Accounts (net) | - | - | - | - |
| Special assessments | - | - | - | - |
| Accrued interest | 1 | 8 | 5 | 100 |
| Leases | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | - | - | - | - |
| Inventory | - | - | - | - |
| Advances | - | - | - | - |
| Other | - | - | - | - |
| Total assets | 321 | 4,114 | 4,488 | 49,615 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Contracts and accounts payable | - | 11 | 24 | 2,364 |
| Accrued liabilities | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to other governments | - | - | - | 39 |
| Deposits | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Advances | - | - | - | - |
| Total liabilities | - | 11 | 24 | 2,403 |
| Deferred inflows of resources: | | | | |
| Accounts receivable | - | - | - | - |
| Grants receivable | - | - | - | - |
| Special assessment receivable | - | - | - | - |
| Unamortized leases | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 321 | 4,103 | 4,464 | 47,212 |
| Committed | - | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balances | 321 | 4,103 | 4,464 | 47,212 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 321 | $ 4,114 | $ 4,488 | $ 49,615 |

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2024
(amounts expressed in thousands)

| | Capital Projects Funds | |
|---|---|---|
| | Impact Fees EMS Construction | Total Non-Major Governmental Funds |
| ASSETS | | |
| Cash, cash equivalents and investments | $ 105 | $ 642,782 |
| Cash and cash equivalents with fiscal agent | - | 18,020 |
| Receivables | | |
| Accounts (net) | - | 913 |
| Special assessments | - | 1,834 |
| Accrued interest | - | 1,330 |
| Leases | - | 43,606 |
| Due from other funds | - | 3,016 |
| Due from other governments | - | 23,651 |
| Inventory | - | 3,612 |
| Advances | - | - |
| Other | - | - |
| Total assets | 105 | 738,764 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | |
| Liabilities: | | |
| Contracts and accounts payable | - | 24,622 |
| Accrued liabilities | - | 2,495 |
| Due to other funds | - | 2,406 |
| Due to other governments | - | 16,101 |
| Deposits | - | 7,040 |
| Unearned revenues | - | 937 |
| Advances | - | 1,500 |
| Total liabilities | - | 55,101 |
| Deferred inflows of resources: | | |
| Accounts receivable | - | 68 |
| Grants receivable | - | 8,204 |
| Special assessment receivable | - | 2,025 |
| Unamortized leases | - | 43,152 |
| Total deferred inflows of resources | - | 53,449 |
| Fund Balances: | | |
| Nonspendable | - | 3,612 |
| Restricted | 105 | 386,265 |
| Committed | - | 240,672 |
| Assigned | - | - |
| Unassigned | - | (335) |
| Total fund balances | 105 | 630,214 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 105 | $ 738,764 |

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, 2024
(amounts expressed in thousands)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Municipal Service Benefit Unit Districts | Special Assessment Districts | Law Enforcement Trust | Special Revenue Projects |
| REVENUES | | | | |
| Taxes | $ 8,673 | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | 1,660 |
| Charges for services | - | 267 | - | 679 |
| Fines and forfeitures | - | - | 960 | 257 |
| Impact fees | - | - | - | - |
| Special assessments | - | 711 | - | - |
| Investment earnings | 718 | 133 | 90 | 157 |
| Miscellaneous | 76 | 6 | - | 141 |
| Total revenues | 9,467 | 1,117 | 1,050 | 2,894 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 175 | 564 | - | 347 |
| Public safety | 1,874 | - | - | 18 |
| Physical environment | - | - | - | 950 |
| Transportation | 4,067 | 205 | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | 1,642 |
| Culture and recreation | - | - | - | - |
| Capital outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | 31 |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Debt service | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 6,116 | 769 | - | 2,988 |
| Excess (deficiencies) of revenue over (under) expenditures | 3,351 | 348 | 1,050 | (94) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 40 | 1 | - | - |
| Transfer out | (59) | (671) | (505) | - |
| Lease issuance | - | - | - | - |
| SBITA issuance | - | - | - | - |
| Total other financing sources (uses) | (19) | (670) | (505) | - |
| Net change in fund balances | 3,332 | (322) | 545 | (94) |
| Fund balances - beginning | 9,066 | 1,865 | 1,634 | 3,004 |
| Fund balances - ending | $ 12,398 | $ 1,543 | $ 2,179 | $ 2,910 |

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, 2024
(amounts expressed in thousands)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | State Housing Incentives Partnership Program | Human Services Grants | Lee County Library | E 9-1-1 |
| REVENUES | | | | |
| Taxes | $ - | $ - | $ 51,035 | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | 4,045 | 6,002 | 508 | 4,340 |
| Charges for services | - | - | 100 | - |
| Fines and forfeitures | - | - | 194 | - |
| Impact fees | - | - | - | - |
| Special assessments | - | - | - | - |
| Investment earnings | 1,918 | 33 | 2,432 | 368 |
| Miscellaneous | 151 | 6 | 160 | - |
| Total revenues | 6,114 | 6,041 | 54,429 | 4,708 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | - | - | 1,385 | 2,412 |
| Public safety | - | - | - | 3,010 |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | 11,198 | 6,008 | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | 36,175 | - |
| Capital outlay | | | | |
| General government | - | - | 8 | 36 |
| Public safety | - | - | - | 341 |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | 155 | - |
| Debt service | | | | |
| Principal retirement | - | - | 272 | 36 |
| Interest and fiscal charges | - | - | 69 | - |
| Total expenditures | 11,198 | 6,008 | 38,064 | 5,835 |
| Excess (deficiencies) of revenue over (under) expenditures | (5,084) | 33 | 16,365 | (1,127) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | 237 | 400 |
| Transfer out | - | - | (10,719) | - |
| Lease issuance | - | - | - | - |
| SBITA issuance | - | - | - | 167 |
| Total other financing sources (uses) | - | - | (10,482) | 567 |
| Net change in fund balances | (5,084) | 33 | 5,883 | (560) |
| Fund balances - beginning | 27,106 | 219 | 34,215 | 4,890 |
| Fund balances - ending | $ 22,022 | $ 252 | $ 40,098 | $ 4,330 |

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, 2024
(amounts expressed in thousands)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | MSTU | Tourist Development Trust | Transportation Trust | All Hazards Protection |
| REVENUES | | | | |
| Taxes | $ 48,591 | $ 44,261 | $ - | $ 5,134 |
| Licenses and permits | 15,395 | - | 551 | - |
| Intergovernmental | 3,758 | 550 | 11,536 | 8,809 |
| Charges for services | 9,562 | 1,096 | 1,233 | - |
| Fines and forfeitures | - | - | - | - |
| Impact fees | - | - | - | - |
| Special assessments | - | - | - | 31 |
| Investment earnings | 2,240 | 3,784 | 309 | 136 |
| Miscellaneous | 172 | 163 | 2,545 | 59 |
| Total revenues | 79,718 | 49,854 | 16,174 | 14,169 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 13,613 | 1,372 | 2,050 | 3,167 |
| Public safety | 19,266 | - | - | 3,280 |
| Physical environment | 5,884 | - | - | - |
| Transportation | - | - | 42,574 | - |
| Economic environment | - | 24,401 | - | - |
| Human services | 7,230 | - | - | - |
| Culture and recreation | 16,867 | 50 | - | - |
| Capital outlay | | | | |
| General government | 67 | - | - | - |
| Public safety | 1,334 | - | - | 4,092 |
| Physical environment | 115 | - | - | - |
| Transportation | - | - | 1,517 | - |
| Economic environment | - | 228 | - | - |
| Human services | 44 | - | - | - |
| Culture and recreation | 189 | - | - | - |
| Debt service | | | | |
| Principal retirement | 886 | 68 | 350 | - |
| Interest and fiscal charges | 47 | - | 14 | - |
| Total expenditures | 65,542 | 26,119 | 46,505 | 10,539 |
| Excess (deficiencies) of revenue over (under) expenditures | 14,176 | 23,735 | (30,331) | 3,630 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 18,191 | 4,423 | 30,800 | 24 |
| Transfer out | (36,143) | (26,666) | - | (432) |
| Lease issuance | - | - | 308 | - |
| SBITA issuance | 1,038 | 191 | 247 | - |
| Total other financing sources (uses) | (16,914) | (22,052) | 31,355 | (408) |
| Net change in fund balances | (2,738) | 1,683 | 1,024 | 3,222 |
| Fund balances - beginning | 29,394 | 52,190 | 8,468 | 623 |
| Fund balances - ending | $ 26,656 | $ 53,873 | $ 9,492 | $ 3,845 |

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, 2024
(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 | 3,609 | 2,857 | 40,486 | 869 |
| Special assessments | - | - | - | - |
| Investment earnings | 228 | 238 | 5,211 | 122 |
| Miscellaneous | - | - | - | - |
| Total revenues | 3,837 | 3,095 | 45,697 | 991 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 6 | 4 | 65 | - |
| 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 | 6 | 4 | 65 | - |
| Excess (deficiencies) of revenue over (under) expenditures | 3,831 | 3,091 | 45,632 | 991 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfer out | (971) | (3,795) | (11,097) | - |
| Lease issuance | - | - | - | - |
| SBITA issuance | - | - | - | - |
| Total other financing sources (uses) | (971) | (3,795) | (11,097) | - |
| Net change in fund balances | 2,860 | (704) | 34,535 | 991 |
| Fund balances - beginning | 3,095 | 2,931 | 72,082 | 1,613 |
| Fund balances - ending | $ 5,955 | $ 2,227 | $ 106,617 | $ 2,604 |

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, 2024
(amounts expressed in thousands)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Impact Fees-Fire | Impact Fees-School | Animal Trust Fund | Disaster Recovery |
| REVENUES | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | 19,257 |
| Charges for services | - | - | 7 | - |
| Fines and forfeitures | - | - | - | - |
| Impact fees | 5,207 | 30,963 | - | - |
| Special assessments | - | - | - | - |
| Investment earnings | 27 | 1,156 | 85 | - |
| Miscellaneous | - | - | 267 | - |
| Total revenues | 5,234 | 32,119 | 359 | 19,257 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | - | 31,776 | - | - |
| Public safety | 5,234 | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | 16,545 |
| Human services | - | - | 250 | - |
| Culture and recreation | - | - | - | - |
| Capital outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | 82 |
| Human services | - | - | 42 | - |
| Culture and recreation | - | - | - | - |
| Debt service | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 5,234 | 31,776 | 292 | 16,627 |
| Excess (deficiencies) of revenue over (under) expenditures | - | 343 | 67 | 2,630 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | 1 | 2,000 |
| Transfer out | - | - | - | (2,000) |
| Lease issuance | - | - | - | - |
| SBITA issuance | - | - | - | - |
| Total other financing sources (uses) | - | - | 1 | - |
| Net change in fund balances | - | 343 | 68 | 2,630 |
| Fund balances - beginning | - | 54 | 1,243 | (2,965) |
| Fund balances - ending | $ - | $ 397 | $ 1,311 | $ (335) |

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, 2024
(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 | - | 1,374 | - | 17,585 |
| Charges for services | 4,747 | 9,251 | - | 8,002 |
| Fines and forfeitures | - | 4,836 | - | - |
| Impact fees | - | - | - | - |
| Special assessments | - | - | - | - |
| Investment earnings | 92 | 1,829 | - | - |
| Miscellaneous | 423 | 33 | - | 4 |
| Total revenues | 5,262 | 17,323 | - | 25,591 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 16,584 | 16,043 | 1,365 | - |
| Public safety | - | - | - | 18,916 |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Capital outlay | | | | |
| General government | 4,002 | - | 647 | - |
| Public safety | - | - | - | 961 |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Debt service | | | | |
| Principal retirement | 502 | - | 498 | - |
| Interest and fiscal charges | 36 | - | 51 | - |
| Total expenditures | 21,124 | 16,043 | 2,561 | 19,877 |
| Excess (deficiencies) of revenue over (under) expenditures | (15,862) | 1,280 | (2,561) | 5,714 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 12,775 | - | 2,215 | 455 |
| Transfer out | - | - | (272) | (5,049) |
| Lease issuance | - | - | - | - |
| SBITA issuance | 3,456 | - | 618 | - |
| Total other financing sources (uses) | 16,231 | - | 2,561 | (4,594) |
| Net change in fund balances | 369 | 1,280 | - | 1,120 |
| Fund balances - beginning | 972 | 12,877 | - | (19) |
| Fund balances - ending | $ 1,341 | $ 14,157 | $ - | $ 1,101 |

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, 2024
(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 | 392 | 339 | - | - |
| Miscellaneous | - | - | - | - |
| Total revenues | 392 | 339 | - | - |
| 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 | 1,750 | 11,785 | 591 | 250 |
| Interest and fiscal charges | 4,216 | 2,351 | 81 | 150 |
| Total expenditures | 5,966 | 14,136 | 672 | 400 |
| Excess (deficiencies) of revenue over (under) expenditures | (5,574) | (13,797) | (672) | (400) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 10,410 | 14,071 | 672 | 400 |
| Transfer out | (4,104) | - | - | - |
| Lease issuance | - | - | - | - |
| SBITA issuance | - | - | - | - |
| Total other financing sources (uses) | 6,306 | 14,071 | 672 | 400 |
| Net change in fund balances | 732 | 274 | - | - |
| Fund balances - beginning | 8,896 | 13,143 | - | - |
| Fund balances - ending | $ 9,628 | $ 13,417 | $ - | $ - |

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, 2024
(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 | - | 308 | - | - |
| Intergovernmental | - | 16,245 | 295 | - |
| Charges for services | - | 235 | - | - |
| Fines and forfeitures | - | - | - | - |
| Impact fees | - | - | - | - |
| Special assessments | - | - | - | - |
| Investment earnings | 51 | 10,451 | 54 | 5,185 |
| Miscellaneous | - | 114 | - | - |
| Total revenues | 51 | 27,354 | 349 | 5,185 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | - | 1,249 | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | 8,200 | 317 | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | 15,644 | - | - |
| Capital outlay | | | | |
| General government | - | 23,614 | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | 1,252 | - | - |
| Transportation | - | 85 | - | 28,773 |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | 1,371 | - | - |
| Debt service | | | | |
| Principal retirement | - | 246 | - | - |
| Interest and fiscal charges | 4,628 | 26 | - | - |
| Total expenditures | 4,628 | 51,687 | 317 | 28,773 |
| Excess (deficiencies) of revenue over (under) expenditures | (4,577) | (24,333) | 32 | (23,588) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 4,577 | 25,604 | - | - |
| Transfer out | - | (2,609) | - | - |
| Lease issuance | - | - | - | - |
| SBITA issuance | - | 239 | - | - |
| Total other financing sources (uses) | 4,577 | 23,234 | - | - |
| Net change in fund balances | - | (1,099) | 32 | (23,588) |
| Fund balances - beginning | 774 | 150,065 | 880 | 97,125 |
| Fund balances - ending | $ 774 | $ 148,966 | $ 912 | $ 73,537 |

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, 2024
(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 | 3 | 81 | 21 | 496 |
| Miscellaneous | - | - | - | - |
| Total revenues | 3 | 81 | 21 | 496 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | 5 | - | 123 |
| Capital outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | 639 | - | 4,656 |
| Debt service | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | - | 644 | - | 4,779 |
| Excess (deficiencies) of revenue over (under) expenditures | 3 | (563) | 21 | (4,283) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 10,400 | - | 971 |
| Transfer out | - | - | - | - |
| Lease issuance | - | - | - | - |
| SBITA issuance | - | - | - | - |
| Total other financing sources (uses) | - | 10,400 | - | 971 |
| Net change in fund balances | 3 | 9,837 | 21 | (3,312) |
| Fund balances - beginning | 44 | 1,918 | 300 | 7,415 |
| Fund balances - ending | $ 47 | $ 11,755 | $ 321 | $ 4,103 |

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, 2024
(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 | 153 | 3,401 | 6 | - |
| Miscellaneous | - | - | - | - |
| Total revenues | 153 | 3,401 | 6 | - |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | 49 | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | 18 | - | - | - |
| Capital outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | 16,507 | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | 632 | - | - | - |
| Debt service | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 650 | 16,556 | - | - |
| Excess (deficiencies) of revenue over (under) expenditures | (497) | (13,155) | 6 | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 3,795 | 11,097 | - | - |
| Transfer out | - | - | - | - |
| Lease issuance | - | - | - | - |
| SBITA issuance | - | - | - | - |
| Total other financing sources (uses) | 3,795 | 11,097 | - | - |
| Net change in fund balances | 3,298 | (2,058) | 6 | - |
| Fund balances - beginning | 1,166 | 49,270 | 99 | - |
| Fund balances - ending | $ 4,464 | $ 47,212 | $ 105 | $ - |

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, 2024
(amounts expressed in thousands)

| | Total Non-Major Governmental Funds |
|---|---|
| REVENUES | |
| Taxes | $ 157,695 |
| Licenses and permits | 16,254 |
| Intergovernmental | 95,964 |
| Charges for services | 35,179 |
| Fines and forfeitures | 6,247 |
| Impact fees | 83,991 |
| Special assessments | 742 |
| Investment earnings | 41,939 |
| Miscellaneous | 4,320 |
| Total revenues | 442,331 |
| EXPENDITURES | |
| Current | |
| General government | 92,177 |
| Public safety | 51,598 |
| Physical environment | 15,351 |
| Transportation | 46,895 |
| Economic environment | 58,152 |
| Human services | 9,122 |
| Culture and recreation | 68,882 |
| Capital outlay | |
| General government | 28,374 |
| Public safety | 6,728 |
| Physical environment | 1,398 |
| Transportation | 46,882 |
| Economic environment | 310 |
| Human services | 86 |
| Culture and recreation | 7,642 |
| Debt service | |
| Principal retirement | 17,234 |
| Interest and fiscal charges | 11,669 |
| Total expenditures | 462,500 |
| Excess (deficiencies) of revenue over (under) expenditures | (20,169) |
| OTHER FINANCING SOURCES (USES) | |
| Transfers in | 153,559 |
| Transfer out | (105,092) |
| Lease issuance | 308 |
| SBITA issuance | 5,956 |
| Total other financing sources (uses) | 54,731 |
| Net change in fund balances | 34,562 |
| Fund balances - beginning | 595,652 |
| Fund balances - ending | $ 630,214 |

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, 2024

(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 | $ 8,682 | $ 8,673 | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | 267 | 267 | - | - |
| Fines and forfeitures | - | - | - | - | 451 | 960 |
| Impact fees | - | - | - | - | - | - |
| Special assessments | - | - | 728 | 711 | - | - |
| Investment earnings | 110 | 405 | 38 | 57 | 12 | 41 |
| Miscellaneous | - | 76 | - | 6 | - | - |
| Total revenues | 8,792 | 9,154 | 1,033 | 1,041 | 463 | 1,001 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 160 | 175 | 1,101 | 561 | 1 | - |
| Public safety | 2,039 | 1,874 | - | - | - | - |
| Physical environment | - | - | - | - | - | - |
| Transportation | 6,007 | 4,067 | 518 | 205 | - | - |
| 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 | 8,206 | 6,116 | 1,619 | 766 | 1 | - |
| Excess (deficiencies) of revenues over (under) expenditures | 586 | 3,038 | (586) | 275 | 462 | 1,001 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 9 | 40 | 908 | 293 | - | - |
| Transfers out | (55) | (59) | (997) | (967) | (605) | (505) |
| Total other financing sources (uses) | (46) | (19) | (89) | (674) | (605) | (505) |
| Net change in fund balances | 540 | 3,019 | (675) | (399) | (143) | 496 |
| Fund balances - beginning | 9,526 | 10,441 | 1,987 | 3,041 | 1,700 | 1,700 |
| Fund balances - ending | $ 10,066 | $ 13,460 | $ 1,312 | $ 2,642 | $ 1,557 | $ 2,196 |

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, 2024

(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 | 2,985 | 1,660 | 5,688 | 4,045 | 15,578 | 6,002 |
| Charges for services | 636 | 679 | - | - | - | - |
| Fines and forfeitures | 301 | 257 | - | - | - | - |
| Impact fees | - | - | - | - | - | - |
| Special assessments | - | - | - | - | - | - |
| Investment earnings | 23 | 67 | 80 | 801 | 8 | 11 |
| Miscellaneous | - | 141 | 200 | 151 | - | 6 |
| Total revenues | 3,945 | 2,804 | 5,968 | 4,997 | 15,586 | 6,019 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 448 | 347 | - | - | - | - |
| Public safety | 67 | 18 | - | - | - | - |
| Physical environment | 1,020 | 950 | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Economic environment | - | - | 13,702 | 11,198 | 15,578 | 6,008 |
| Human services | 2,918 | 1,642 | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Capital outlay | | | | | | |
| General government | 20 | - | - | - | - | - |
| Public safety | - | - | - | - | - | - |
| Physical environment | 35 | 31 | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Debt Service | | | | | | |
| Principal retirement | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | 4,508 | 2,988 | 13,702 | 11,198 | 15,578 | 6,008 |
| Excess (deficiencies) of revenues over (under) expenditures | (563) | (184) | (7,734) | (6,201) | 8 | 11 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Net change in fund balances | (563) | (184) | (7,734) | (6,201) | 8 | 11 |
| Fund balances - beginning | 3,122 | 11,292 | 28,496 | 30,643 | 247 | 247 |
| Fund balances - ending | $ 2,559 | $ 11,108 | $ 20,762 | $ 24,442 | $ 255 | $ 258 |

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, 2024

(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 | $ 50,482 | $ 51,035 | $ - | $ - | $ 48,798 | $ 48,591 |
| Licenses and permits | - | - | - | - | 13,248 | 15,395 |
| Intergovernmental | 500 | 508 | 10,457 | 4,976 | 3,317 | 4,152 |
| Charges for services | 74 | 100 | - | - | 9,394 | 9,562 |
| Fines and forfeitures | 160 | 194 | - | - | - | - |
| Impact fees | - | - | - | - | - | - |
| Special assessments | - | - | - | - | - | - |
| Investment earnings | 300 | 1,679 | 55 | 159 | 309 | 1,039 |
| Miscellaneous | 80 | 160 | - | - | 86 | 172 |
| Total revenues | 51,596 | 53,676 | 10,512 | 5,135 | 75,152 | 78,911 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 1,266 | 1,385 | 3,096 | 2,412 | 10,717 | 13,613 |
| Public safety | - | - | 5,368 | 3,010 | 21,842 | 19,266 |
| Physical environment | - | - | - | - | 9,065 | 5,884 |
| Transportation | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - |
| Human services | - | - | - | - | 7,256 | 7,230 |
| Culture and recreation | 42,626 | 36,175 | - | - | 17,227 | 16,867 |
| Capital outlay | | | | | | |
| General government | - | 8 | 67 | 36 | 184 | 67 |
| Public safety | - | - | 5,712 | 174 | 316 | 296 |
| Physical environment | - | - | - | - | 105 | 115 |
| Transportation | - | - | - | - | 563 | - |
| Economic environment | - | - | - | - | - | - |
| Human services | - | - | - | - | 23 | 44 |
| Culture and recreation | 375 | 155 | - | - | - | 189 |
| Debt Service | | | | | | |
| Principal retirement | 157 | 272 | - | 36 | 5 | 886 |
| Interest and fiscal charges | - | 69 | - | - | - | 47 |
| Total expenditures | 44,424 | 38,064 | 14,243 | 5,668 | 67,303 | 64,504 |
| Excess (deficiencies) of revenues over (under) expenditures | 7,172 | 15,612 | (3,731) | (533) | 7,849 | 14,407 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 265 | 237 | 400 | 400 | 24,055 | 24,041 |
| Transfers out | (10,670) | (10,719) | - | - | (41,930) | (41,993) |
| Total other financing sources (uses) | (10,405) | (10,482) | 400 | 400 | (17,875) | (17,952) |
| Net change in fund balances | (3,233) | 5,130 | (3,331) | (133) | (10,026) | (3,545) |
| Fund balances - beginning | 35,452 | 35,587 | 5,163 | 5,171 | 30,827 | 31,090 |
| Fund balances - ending | $ 32,219 | $ 40,717 | $ 1,832 | $ 5,038 | $ 20,801 | $ 27,545 |

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, 2024

(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 | $ 42,000 | $ 44,261 | $ - | $ - | $ 5,098 | $ 5,134 |
| Licenses and permits | - | - | 282 | 551 | - | - |
| Intergovernmental | 500 | 550 | 10,726 | 11,279 | 4,153 | 8,889 |
| Charges for services | 1,045 | 1,045 | 595 | 959 | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Impact fees | - | - | - | - | - | - |
| Special assessments | - | - | - | - | 85 | 31 |
| Investment earnings | 475 | 1,634 | 50 | 117 | 50 | 162 |
| Miscellaneous | 150 | 163 | 2,158 | 2,545 | - | 59 |
| Total revenues | 44,170 | 47,653 | 13,811 | 15,451 | 9,386 | 14,275 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 1,249 | 1,372 | 2,081 | 2,050 | 3,173 | 3,167 |
| Public safety | - | - | - | - | 4,061 | 3,280 |
| Physical environment | - | - | - | - | - | - |
| Transportation | - | - | 41,708 | 42,675 | - | - |
| Economic environment | 26,324 | 24,401 | - | - | - | - |
| Human services | - | - | - | - | - | - |
| Culture and recreation | - | 50 | - | - | - | - |
| Capital outlay | | | | | | |
| General government | - | - | 4 | - | - | - |
| Public safety | - | - | - | - | 3,651 | 4,092 |
| Physical environment | - | - | - | - | - | - |
| Transportation | - | - | 3,021 | 962 | - | - |
| Economic environment | 85 | 37 | - | - | - | - |
| Human services | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Debt Service | | | | | | |
| Principal retirement | - | 68 | 263 | 350 | - | - |
| Interest and fiscal charges | - | - | 16 | 14 | - | - |
| Total expenditures | 27,658 | 25,928 | 47,093 | 46,051 | 10,885 | 10,539 |
| Excess (deficiencies) of revenues over (under) expenditures | 16,512 | 21,725 | (33,282) | (30,600) | (1,499) | 3,736 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 4,836 | 4,423 | 30,800 | 30,800 | 25 | 24 |
| Transfers out | (28,790) | (26,666) | - | - | (431) | (432) |
| Total other financing sources (uses) | (23,954) | (22,243) | 30,800 | 30,800 | (406) | (408) |
| Net change in fund balances | (7,442) | (518) | (2,482) | 200 | (1,905) | 3,328 |
| Fund balances - beginning | 54,511 | 54,714 | 5,884 | 7,264 | 1,931 | 4,118 |
| Fund balances - ending | $ 47,069 | $ 54,196 | $ 3,402 | $ 7,464 | $ 26 | $ 7,446 |

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, 2024

(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 | 2,631 | 3,609 | 2,500 | 2,857 | 32,501 | 40,486 |
| Special assessments | - | - | - | - | - | - |
| Investment earnings | 89 | 141 | 38 | 115 | 890 | 2,803 |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | 2,720 | 3,750 | 2,538 | 2,972 | 33,391 | 43,289 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 20 | 6 | 5 | 4 | 279 | 65 |
| 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 | 6 | 5 | 4 | 279 | 65 |
| Excess (deficiencies) of revenues over (under) expenditures | 2,700 | 3,744 | 2,533 | 2,968 | 33,112 | 43,224 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | (971) | (971) | (3,795) | (3,795) | (11,097) | (11,097) |
| Total other financing sources (uses) | (971) | (971) | (3,795) | (3,795) | (11,097) | (11,097) |
| Net change in fund balances | 1,729 | 2,773 | (1,262) | (827) | 22,015 | 32,127 |
| Fund balances - beginning | 3,251 | 5,661 | 3,079 | 3,016 | 75,744 | 72,363 |
| Fund balances - ending | $ 4,980 | $ 8,434 | $ 1,817 | $ 2,189 | $ 97,759 | $ 104,490 |

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, 2024

(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 | 265 | 869 | 6,248 | 5,207 | 33,930 | 30,963 |
| Special assessments | - | - | - | - | - | - |
| Investment earnings | 34 | 70 | 13 | 27 | 385 | 1,156 |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | 299 | 939 | 6,261 | 5,234 | 34,315 | 32,119 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 12 | - | - | - | 34,369 | 31,776 |
| Public safety | - | - | 6,261 | 5,234 | - | - |
| 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 | - | 6,261 | 5,234 | 34,369 | 31,776 |
| Excess (deficiencies) of revenues over (under) expenditures | 287 | 939 | - | - | (54) | 343 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Net change in fund balances | 287 | 939 | - | - | (54) | 343 |
| Fund balances - beginning | 1,695 | 1,697 | - | - | 54 | 53 |
| Fund balances - ending | $ 1,982 | $ 2,636 | $ - | $ - | $ - | $ 396 |

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, 2024

(amounts expressed in thousands)

| | Non - GAAP Animal Trust Fund | | Non-GAAP Disaster Recovery | | Non - GAAP Court Administration | |
|---|---|---|---|---|---|---|
| | Final Budget | Actual | Final Budget | Actual | Final Budget | Actual |
| REVENUES | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | 1,107,881 | 19,592 | - | - |
| Charges for services | 5 | 7 | - | - | 4,545 | 4,747 |
| Fines and forfeitures | - | - | - | - | - | - |
| Impact fees | - | - | - | - | - | - |
| Special assessments | - | - | - | - | - | - |
| Investment earnings | 10 | 38 | - | - | 31 | 53 |
| Miscellaneous | 90 | 267 | - | - | 408 | 423 |
| Total revenues | 105 | 312 | 1,107,881 | 19,592 | 4,984 | 5,223 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | - | - | - | - | 19,745 | 16,584 |
| Public safety | - | - | - | - | - | - |
| Physical environment | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Economic environment | - | - | 1,104,916 | 16,545 | - | - |
| Human services | 236 | 250 | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Capital outlay | | | | | | |
| General government | - | - | - | - | 565 | 546 |
| Public safety | - | - | - | - | - | - |
| Physical environment | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Economic environment | - | - | - | 82 | - | - |
| Human services | 135 | 42 | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Debt Service | | | | | | |
| Principal retirement | - | - | - | - | - | 502 |
| Interest and fiscal charges | - | - | - | - | - | 36 |
| Total expenditures | 371 | 292 | 1,104,916 | 16,627 | 20,310 | 17,668 |
| Excess (deficiencies) of revenues over (under) expenditures | (266) | 20 | 2,965 | 2,965 | (15,326) | (12,445) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 1 | 1 | 10,000 | 2,000 | 14,925 | 12,775 |
| Transfers out | - | - | (10,000) | (2,000) | (150) | - |
| Total other financing sources (uses) | 1 | 1 | - | - | 14,775 | 12,775 |
| Net change in fund balances | (265) | 21 | 2,965 | 2,965 | (551) | 330 |
| Fund balances - beginning | 1,307 | 1,307 | (2,965) | (2,965) | 1,025 | 1,158 |
| Fund balances - ending | $ 1,042 | $ 1,328 | $ - | $ - | $ 474 | $ 1,488 |

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, 2024

(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 | 909 | 1,305 | - | - |
| Charges for services | 10,926 | 9,251 | - | - |
| Fines and forfeitures | 3,317 | 4,836 | - | - |
| Impact fees | - | - | - | - |
| Special assessments | - | - | - | - |
| Investment earnings | 628 | 1,829 | - | - |
| Miscellaneous | 5 | 33 | - | - |
| Total revenues | 15,785 | 17,254 | - | - |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 19,048 | 16,043 | 2,183 | 1,365 |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Capital outlay | | | | |
| General government | - | - | 32 | 29 |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Debt Service | | | | |
| Principal retirement | - | - | - | 498 |
| Interest and fiscal charges | - | - | - | 51 |
| Total expenditures | 19,048 | 16,043 | 2,215 | 1,943 |
| Excess (deficiencies) of revenues over (under) expenditures | (3,263) | 1,211 | (2,215) | (1,943) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | 2,215 | 2,215 |
| Transfers out | - | - | - | (272) |
| Total other financing sources (uses) | - | - | 2,215 | 1,943 |
| Net change in fund balances | (3,263) | 1,211 | - | - |
| Fund balances - beginning | 3,263 | 12,947 | - | - |
| Fund balances - ending | $ - | $ 14,158 | $ - | $ - |

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, 2024

(amounts expressed in thousands)

| | Total | | |
|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| REVENUES | | | |
| Taxes | $ 155,060 | $ 157,694 | $ 2,634 |
| Licenses and permits | 13,530 | 15,946 | 2,416 |
| Intergovernmental | 1,162,694 | 62,958 | (1,099,736) |
| Charges for services | 27,487 | 26,617 | (870) |
| Fines and forfeitures | 4,229 | 6,247 | 2,018 |
| Impact fees | 78,075 | 83,991 | 5,916 |
| Special assessments | 813 | 742 | (71) |
| Investment earnings | 3,628 | 12,404 | 8,776 |
| Miscellaneous | 3,177 | 4,202 | 1,025 |
| Total revenues | 1,448,693 | 370,801 | (1,077,892) |
| EXPENDITURES | | | |
| Current | | | |
| General government | 98,953 | 90,925 | 8,028 |
| Public safety | 39,638 | 32,682 | 6,956 |
| Physical environment | 10,085 | 6,834 | 3,251 |
| Transportation | 48,233 | 46,947 | 1,286 |
| Economic environment | 1,160,520 | 58,152 | 1,102,368 |
| Human services | 10,410 | 9,122 | 1,288 |
| Culture and recreation | 59,853 | 53,092 | 6,761 |
| Capital outlay | | | |
| General government | 872 | 686 | 186 |
| Public safety | 9,679 | 4,562 | 5,117 |
| Physical environment | 140 | 146 | (6) |
| Transportation | 3,584 | 962 | 2,622 |
| Economic environment | 85 | 119 | (34) |
| Human services | 158 | 86 | 72 |
| Culture and recreation | 375 | 344 | 31 |
| Debt Service | | | |
| Principal retirement | 425 | 2,612 | (2,187) |
| Interest and fiscal charges | 16 | 217 | (201) |
| Total expenditures | 1,443,026 | 307,488 | 1,135,538 |
| Excess (deficiencies) of revenues over (under) expenditures | 5,667 | 63,313 | 57,646 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 88,439 | 77,249 | (11,190) |
| Transfers out | (109,491) | (99,476) | 10,015 |
| Total other financing sources (uses) | (21,052) | (22,227) | (1,175) |
| Net change in fund balances | (15,385) | 41,086 | 56,471 |
| Fund balances - beginning | 265,299 | 290,545 | 25,246 |
| Fund balances - ending | $ 249,914 | $ 331,631 | $ 81,717 |

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, 2024

(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 | $ 324 | $ 392 | $ 10 | $ 339 | $ - | $ - |
| Total revenues | 324 | 392 | 10 | 339 | - | - |
| EXPENDITURES | | | | | | |
| Debt Service | | | | | | |
| Principal retirement | 1,750 | 1,750 | 11,785 | 11,785 | 580 | 591 |
| Interest and fiscal charges | 4,321 | 4,216 | 2,351 | 2,351 | 92 | 81 |
| Total expenditures | 6,071 | 5,966 | 14,136 | 14,136 | 672 | 672 |
| Excess (deficiencies) of revenues over (under) expenditures | (5,747) | (5,574) | (14,126) | (13,797) | (672) | (672) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 10,179 | 10,690 | 14,143 | 14,071 | 672 | 672 |
| Transfers out | (4,796) | (4,384) | - | - | - | - |
| Total other financing sources (uses) | 5,383 | 6,306 | 14,143 | 14,071 | 672 | 672 |
| Net change in fund balances | (364) | 732 | 17 | 274 | - | - |
| Fund balances - beginning | 8,896 | 8,896 | 13,143 | 13,143 | - | - |
| Fund balances - ending | $ 8,532 | $ 9,628 | $ 13,160 | $ 13,417 | $ - | $ - |

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, 2024

(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 | $ - | $ - | $ 30 | $ 51 |
| Total revenues | - | - | 30 | 51 |
| EXPENDITURES | | | | |
| Debt Service | | | | |
| Principal retirement | - | 250 | - | - |
| Interest and fiscal charges | 400 | 150 | 4,629 | 4,628 |
| Total expenditures | 400 | 400 | 4,629 | 4,628 |
| Excess (deficiencies) of revenues over (under) expenditures | (400) | (400) | (4,599) | (4,577) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 400 | 400 | 4,629 | 4,577 |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | 400 | 400 | 4,629 | 4,577 |
| Net change in fund balances | - | - | 30 | - |
| Fund balances - beginning | - | - | 774 | 774 |
| Fund balances - ending | $ - | $ - | $ 804 | $ 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, 2024

(amounts expressed in thousands)

| | Total | | |
|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| REVENUES | | | |
| Investment earnings | $ 364 | $ 782 | $ 418 |
| Total revenues | 364 | 782 | 418 |
| EXPENDITURES | | | |
| Debt Service | | | |
| Principal retirement | 14,115 | 14,376 | (261) |
| Interest and fiscal charges | 11,793 | 11,426 | 367 |
| Total expenditures | 25,908 | 25,802 | 106 |
| Excess (deficiencies) of revenues over (under) expenditures | (25,544) | (25,020) | 524 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 30,023 | 30,410 | 387 |
| Transfers out | (4,796) | (4,384) | 412 |
| Total other financing sources (uses) | 25,227 | 26,026 | 799 |
| Net change in fund balances | (317) | 1,006 | 1,323 |
| Fund balances - beginning | 22,813 | 22,813 | - |
| Fund balances - ending | $ 22,496 | $ 23,819 | $ 1,323 |

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, 2024

(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 | 308 | - | - | - | - |
| Intergovernmental | 53,543 | 19,559 | - | 295 | - | - |
| Charges for services | 235 | 235 | - | - | - | - |
| Investment earnings | 1,680 | 4,286 | 4 | 29 | 100 | 5,185 |
| Miscellaneous | 24 | 114 | - | - | - | - |
| Total revenues | 55,682 | 24,503 | 4 | 324 | 100 | 5,185 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | 1,288 | 1,249 | - | - | - | - |
| Physical environment | 35,314 | 8,200 | 900 | 317 | - | - |
| Transportation | - | - | - | - | - | - |
| Culture and recreation | 42,820 | 15,644 | - | - | - | - |
| Capital Outlay | | | | | | |
| General government | 64,130 | 23,614 | - | - | - | - |
| Physical environment | 24,247 | 1,252 | - | - | - | - |
| Transportation | 323 | 85 | - | - | 91,490 | 28,773 |
| Culture and recreation | 20,120 | 1,132 | - | - | - | - |
| Debt Service | | | | | | |
| Principal Retirement | 2 | 246 | - | - | - | - |
| Interest and fiscal charges | - | 26 | - | - | - | - |
| Total expenditures | 188,244 | 51,448 | 900 | 317 | 91,490 | 28,773 |
| Excess (deficiencies) of revenues over (under) expenditures | (132,562) | (26,945) | (896) | 7 | (91,390) | (23,588) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 29,473 | 25,839 | - | - | - | - |
| Transfers out | (2,844) | (2,844) | (600) | - | - | - |
| Debt issuance | - | - | 900 | - | - | - |
| Total other financing sources (uses) | 26,629 | 22,995 | 300 | - | - | - |
| Net change in fund balances | (105,933) | (3,950) | (596) | 7 | (91,390) | (23,588) |
| Fund balances - beginning | 158,019 | 158,274 | 925 | 924 | 97,125 | 97,125 |
| Fund balances - ending | $ 52,086 | $ 154,324 | $ 329 | $ 931 | $ 5,735 | $ 73,537 |

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, 2024

(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 | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Investment earnings | - | 1 | 80 | 111 | 4 | 9 |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | - | 1 | 80 | 111 | 4 | 9 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | - | - | - | - | - | - |
| Physical environment | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Culture and recreation | - | - | 382 | 5 | - | - |
| Capital Outlay | | | | | | |
| General government | - | - | - | - | - | - |
| Physical environment | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Culture and recreation | - | - | 11,473 | 639 | - | - |
| Debt Service | | | | | | |
| Principal Retirement | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | - | - | 11,855 | 644 | - | - |
| Excess (deficiencies) of revenues over (under) expenditures | - | 1 | (11,775) | (533) | 4 | 9 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | 10,400 | 10,400 | - | - |
| Transfers out | - | - | - | - | - | - |
| Debt issuance | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | 10,400 | 10,400 | - | - |
| Net change in fund balances | - | 1 | (1,375) | 9,867 | 4 | 9 |
| Fund balances - beginning | 46 | 46 | 2,029 | 2,028 | 315 | 315 |
| Fund balances - ending | $ 46 | $ 47 | $ 654 | $ 11,895 | $ 319 | $ 324 |

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, 2024

(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 | 67 | 158 | 100 | 52 | 816 | 1,448 |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | 67 | 158 | 100 | 52 | 816 | 1,448 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General government | - | - | - | - | - | - |
| Physical environment | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | 49 |
| Culture and recreation | - | 123 | - | 18 | - | - |
| Capital Outlay | | | | | | |
| General government | - | - | - | - | - | - |
| Physical environment | - | - | - | - | - | - |
| Transportation | - | - | - | - | 58,363 | 16,507 |
| Culture and recreation | 8,658 | 4,656 | 5,162 | 632 | - | - |
| Debt Service | | | | | | |
| Principal Retirement | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | 8,658 | 4,779 | 5,162 | 650 | 58,363 | 16,556 |
| Excess (deficiencies) of revenues over (under) expenditures | (8,591) | (4,621) | (5,062) | (598) | (57,547) | (15,108) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 971 | 971 | 3,795 | 3,795 | 11,097 | 11,097 |
| Transfers out | - | - | - | - | - | - |
| Debt issuance | - | - | - | - | - | - |
| Total other financing sources (uses) | 971 | 971 | 3,795 | 3,795 | 11,097 | 11,097 |
| Net change in fund balances | (7,620) | (3,650) | (1,267) | 3,197 | (46,450) | (4,011) |
| Fund balances - beginning | 7,801 | 7,802 | 1,320 | 1,320 | 51,811 | 51,811 |
| Fund balances - ending | $ 181 | $ 4,152 | $ 53 | $ 4,517 | $ 5,361 | $ 47,800 |

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, 2024

(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 | 1 | 2 | - | - |
| Miscellaneous | - | - | - | - |
| Total revenues | 1 | 2 | - | - |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Capital Outlay | | | | |
| General government | 30 | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Debt Service | | | | |
| Principal Retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 30 | - | - | - |
| Excess (deficiencies) of revenues over (under) expenditures | (29) | 2 | - | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Debt issuance | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | (29) | 2 | - | - |
| Fund balances - beginning | 104 | 104 | - | - |
| Fund balances - ending | $ 75 | $ 106 | $ - | $ - |

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, 2024

(amounts expressed in thousands)

| | Total | | |
|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| REVENUES | | | |
| Taxes | $ - | $ 1 | $ 1 |
| Licenses and permits | 200 | 308 | 108 |
| Intergovernmental | 53,543 | 19,854 | (33,689) |
| Charges for services | 235 | 235 | - |
| Investment earnings | 2,852 | 11,281 | 8,429 |
| Miscellaneous | 24 | 114 | 90 |
| Total revenues | 56,854 | 31,793 | (25,061) |
| EXPENDITURES | | | |
| Current | | | |
| General government | 1,288 | 1,249 | 39 |
| Physical environment | 36,214 | 8,517 | 27,697 |
| Transportation | - | 49 | (49) |
| Culture and recreation | 43,202 | 15,790 | 27,412 |
| Capital Outlay | | | |
| General government | 64,160 | 23,614 | 40,546 |
| Physical environment | 24,247 | 1,252 | 22,995 |
| Transportation | 150,176 | 45,365 | 104,811 |
| Culture and recreation | 45,413 | 7,059 | 38,354 |
| Debt Service | | | |
| Principal Retirement | 2 | 246 | (244) |
| Interest and fiscal charges | - | 26 | (26) |
| Total expenditures | 364,702 | 103,167 | 261,535 |
| Excess (deficiencies) of revenues over (under) expenditures | (307,848) | (71,374) | 236,474 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 55,736 | 52,102 | (3,634) |
| Transfers out | (3,444) | (2,844) | 600 |
| Debt issuance | 900 | - | (900) |
| Total other financing sources (uses) | 53,192 | 49,258 | (3,934) |
| Net change in fund balances | (254,656) | (22,116) | 232,540 |
| Fund balances - beginning | 319,495 | 319,749 | 254 |
| Fund balances - ending | $ 64,839 | $ 297,633 | $ 232,794 |

See accompanying independent auditors' report.

# ENTERPRISE *Funds*



*Photo Credit: The Lee County Visitor & Convention Bureau*

# *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
ENTERPRISE FUNDS
For the Year Ended September 30, 2024
(amounts expressed in thousands)

| | Port Authority | | Water and Wastewater | | Transportation Facilities | |
|---|---|---|---|---|---|---|
| | Budget | Actual | Budget | Actual | Budget | Actual |
| OPERATING REVENUES | | | | | | |
| User fees | $ 70,668 | $ 64,164 | $ 120,190 | $ 125,160 | $ - | $ - |
| Tolls | - | - | - | - | 46,299 | 59,139 |
| Rentals and franchise fees | 11,712 | 11,412 | 92 | 216 | - | - |
| Concessions | 60,959 | 69,030 | - | - | - | - |
| Miscellaneous | 776 | 689 | 1,921 | 2,153 | 3 | 5 |
| Total operating revenues | 144,115 | 145,295 | 122,203 | 127,529 | 46,302 | 59,144 |
| Less: Rebates | (5,094) | (10,722) | - | - | - | - |
| Net operating revenues | 139,021 | 134,573 | 122,203 | 127,529 | 46,302 | 59,144 |
| OPERATING EXPENSES | | | | | | |
| Salaries and wages | 35,481 | 34,451 | 23,201 | 24,015 | 4,160 | 4,008 |
| Employee benefits | 11,310 | 10,168 | 7,917 | 7,854 | 1,724 | 1,573 |
| Pension and OPEB expense | 6,800 | 7,764 | 3,362 | 3,628 | 637 | 648 |
| Contractual services, materials, and supplies | 39,068 | 42,862 | 45,564 | 39,204 | 8,425 | 5,789 |
| Utilities | 6,547 | 6,185 | 7,382 | 7,616 | 270 | 277 |
| Repairs and maintenance | 4,478 | 4,377 | 4,779 | 10,715 | 214 | 205 |
| Insurance | 4,645 | 3,874 | 1,608 | 1,608 | 1,572 | 2,832 |
| Other | 4,533 | 3,274 | 4,681 | 4,698 | 2,609 | 2,372 |
| Total operating expenses | 112,862 | 112,955 | 98,494 | 99,338 | 19,611 | 17,704 |
| Operating income (loss) | 26,159 | 21,618 | 23,709 | 28,191 | 26,691 | 41,440 |
| NON - OPERATING REVENUES (EXPENSES) | | | | | | |
| Interest earnings | 13,183 | 20,201 | 4,490 | 8,254 | 355 | 1,112 |
| Taxes | - | - | - | - | - | - |
| Special assessment collections | - | - | 42 | 55 | - | - |
| Grants | 32,728 | 19,807 | 4,700 | 226 | 400 | - |
| Bond proceeds | - | 9,000 | 45,000 | 45,000 | - | - |
| Other debt proceeds | - | - | - | - | - | - |
| Interest expense | (18,542) | (17,912) | (5,672) | (5,693) | (2,843) | (2,842) |
| Excess fees - City of Sanibel | - | - | - | - | - | (1,204) |
| Capital outlay | (248,697) | (119,217) | (202,649) | (88,961) | (13,690) | (262) |
| Principal retirement | (35,248) | (24,768) | (18,914) | (21,662) | (6,880) | (6,880) |
| Proceeds from disposal of capital assets | 12 | 275 | 60 | 74 | - | - |
| Passenger facility charges | 23,662 | 20,965 | - | - | - | - |
| Customer facility charges | 29,822 | 18,817 | - | - | - | - |
| Other revenues | 1 | 7,612 | 250 | 633 | 282 | 329 |
| Other expenses | (882) | (4,921) | (131) | (541) | (1) | (1) |
| Total non - operating revenues (expenses) | (203,961) | (70,141) | (172,824) | (62,615) | (22,377) | (9,748) |
| Income (loss) before contributions and transfers | (177,802) | (48,523) | (149,115) | (34,424) | 4,314 | 31,692 |
| Capital grants and contributions | 36,719 | 52,936 | 35,763 | 23,156 | - | - |
| Transfers in | 188,443 | 120,977 | 43,816 | 42,683 | 48,206 | 43,265 |
| Transfers out | (188,443) | (120,977) | (43,816) | (42,683) | (48,206) | (43,265) |
| Total contributions and transfers | 36,719 | 52,936 | 35,763 | 23,156 | - | - |
| Change in net position | (141,083) | 4,413 | (113,352) | (11,268) | 4,314 | 31,692 |
| Total net position - beginning | 366,218 | 342,826 | 206,760 | 233,636 | 18,044 | 26,786 |
| Total net position - ending | $ 225,135 | $ 347,239 | $ 93,408 | $ 222,368 | $ 22,358 | $ 58,478 |

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
ENTERPRISE FUNDS
For the Year Ended September 30, 2024
(amounts expressed in thousands)

| | Solid Waste | | Other Non-Major Transit | | Total | | |
|---|---|---|---|---|---|---|---|
| | Budget | Actual | Budget | Actual | Budget | Actual | Variance Positive (Negative) |
| OPERATING REVENUES | | | | | | | |
| User fees | $ 130,563 | $ 136,858 | $ 3,553 | $ 3,977 | $ 324,974 | $ 330,159 | $ 5,185 |
| Tolls | - | - | - | - | 46,299 | 59,139 | 12,840 |
| Rentals and franchise fees | 2,961 | 3,470 | 150 | 210 | 14,915 | 15,308 | 393 |
| Concessions | - | - | - | - | 60,959 | 69,030 | 8,071 |
| Miscellaneous | 11,300 | 10,162 | 2 | 59 | 14,002 | 13,068 | (934) |
| Total operating revenues | 144,824 | 150,490 | 3,705 | 4,246 | 461,149 | 486,704 | 25,555 |
| Less: Rebates | - | - | - | - | (5,094) | (10,722) | (5,628) |
| Net operating revenues | 144,824 | 150,490 | 3,705 | 4,246 | 456,055 | 475,982 | 19,927 |
| OPERATING EXPENSES | | | | | | | |
| Salaries and wages | 10,143 | 9,718 | 18,703 | 15,273 | 91,688 | 87,465 | 4,223 |
| Employee benefits | 3,263 | 3,325 | 6,935 | 6,511 | 31,149 | 29,431 | 1,718 |
| Pension and OPEB expense | 1,234 | 1,410 | 2,164 | 2,320 | 14,197 | 15,770 | (1,573) |
| Contractual services, materials, and supplies | 129,173 | 115,129 | 4,865 | 4,565 | 227,095 | 207,549 | 19,546 |
| Utilities | 1,460 | 1,562 | 558 | 434 | 16,217 | 16,074 | 143 |
| Repairs and maintenance | 3,169 | 2,826 | 2,754 | 1,748 | 15,394 | 19,871 | (4,477) |
| Insurance | 627 | 589 | 790 | 790 | 9,242 | 9,693 | (451) |
| Other | 2,211 | 1,852 | 1,430 | 1,387 | 15,464 | 13,583 | 1,881 |
| Total operating expenses | 151,280 | 136,411 | 38,199 | 33,028 | 420,446 | 399,436 | 21,010 |
| Operating income (loss) | (6,456) | 14,079 | (34,494) | (28,782) | 35,609 | 76,546 | 40,937 |
| NON - OPERATING REVENUES (EXPENSES) | | | | | | | |
| Interest earnings | 1,365 | 4,884 | 20 | 255 | 19,413 | 34,706 | 15,293 |
| Taxes | - | - | - | - | - | - | - |
| Special assessment collections | - | - | - | - | 42 | 55 | 13 |
| Grants | 116,225 | 115,556 | 10,284 | 7,115 | 164,337 | 142,704 | (21,633) |
| Bond proceeds | - | - | - | - | 45,000 | 54,000 | 9,000 |
| Other debt proceeds | - | - | - | - | - | - | - |
| Interest expense | (1,171) | (1,173) | - | - | (28,228) | (27,620) | 608 |
| Excess fees - City of Sanibel | - | - | - | - | - | (1,204) | (1,204) |
| Capital outlay | (55,467) | (34,070) | (14,467) | (4,526) | (534,970) | (247,036) | 287,934 |
| Principal retirement | (7,065) | (7,139) | (129) | (76) | (68,236) | (60,525) | 7,711 |
| Proceeds from disposal of capital assets | 200 | 93 | 80 | 72 | 352 | 514 | 162 |
| Passenger facility charges | - | - | - | - | 23,662 | 20,965 | (2,697) |
| Customer facility charges | - | - | - | - | 29,822 | 18,817 | (11,005) |
| Other revenues | - | 101 | 20 | 80 | 553 | 8,755 | 8,202 |
| Other expenses | - | - | - | - | (1,014) | (5,463) | (4,449) |
| Total non - operating revenues (expenses) | 54,087 | 78,252 | (4,192) | 2,920 | (349,267) | (61,332) | 287,935 |
| Income (loss) before contributions and transfers | 47,631 | 92,331 | (38,686) | (25,862) | (313,658) | 15,214 | 328,872 |
| Capital grants and contributions | 2,715 | 21 | 15,239 | 5,073 | 90,436 | 81,186 | (9,250) |
| Transfers in | 76,025 | 73,185 | 23,062 | 23,050 | 379,552 | 303,160 | (76,392) |
| Transfers out | (76,025) | (73,051) | - | - | (356,490) | (279,976) | 76,514 |
| Total contributions and transfers | 2,715 | 155 | 38,301 | 28,123 | 113,498 | 104,370 | (9,128) |
| Change in net position | 50,346 | 92,486 | (385) | 2,261 | (200,160) | 119,584 | 319,744 |
| Total net position - beginning | 39,150 | 28,132 | 2,494 | (8,919) | 632,666 | 622,461 | (10,205) |
| Total net position - ending | $ 89,496 | $ 120,618 | $ 2,109 | $ (6,658) | $ 432,506 | $ 742,045 | $ 309,539 |

# INTERNAL SERVICE *Funds*

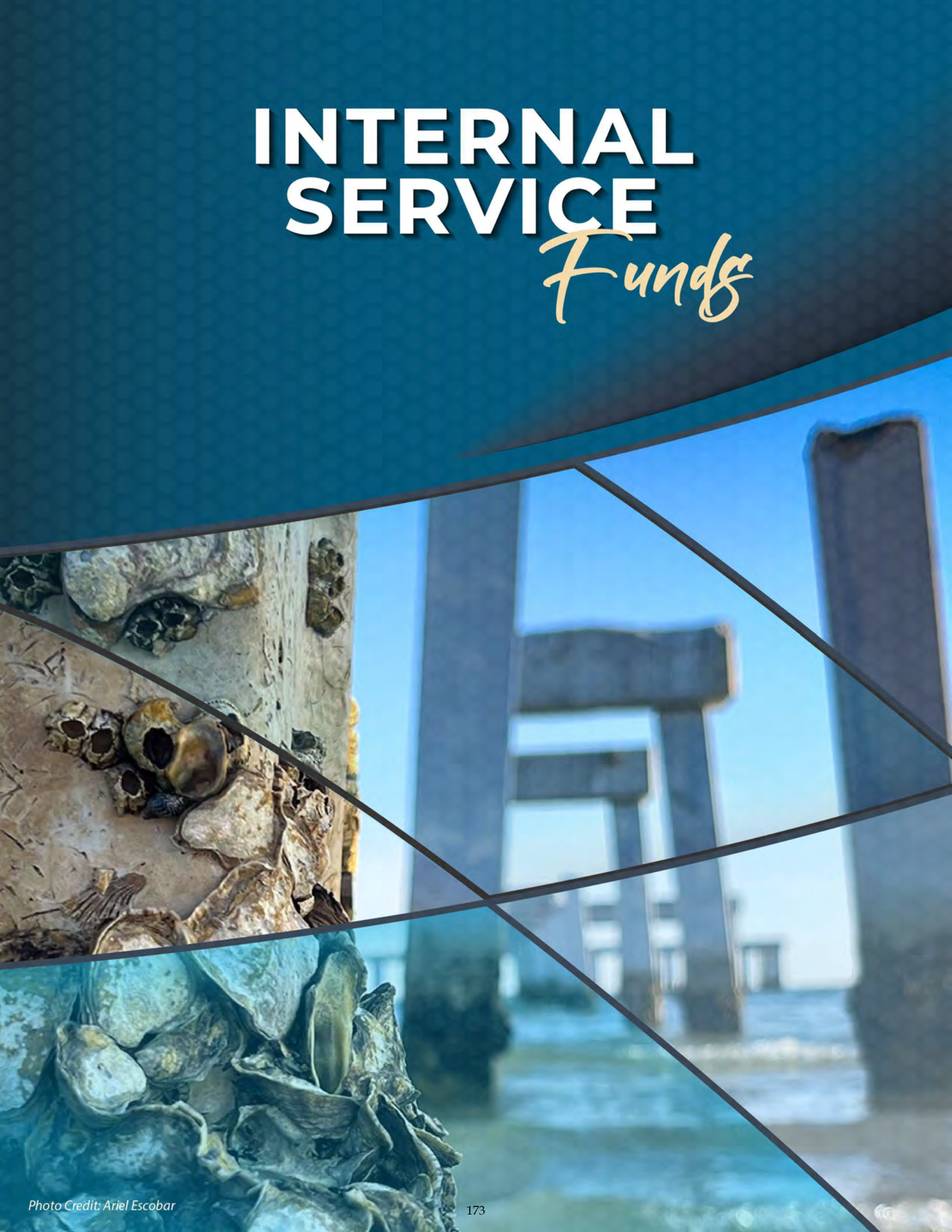


*Photo Credit: Ariel Escobar*

# *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, 2024

(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 | $ 12,588 | $ 1,817 | $ 14,187 | $ 8,670 | $ 6,409 | $ 22,852 | $ 2,610 | $ 69,133 |
| Receivables | | | | | | | | |
| Accounts (net) | - | - | 335 | - | - | - | - | 335 |
| Leases | - | 377 | - | - | - | - | - | 377 |
| Accrued interest | 24 | 11 | 32 | 13 | 10 | - | - | 90 |
| Due from other funds | - | 43 | - | - | 2 | - | - | 45 |
| Due from other governments | 19 | - | 197 | - | 15 | - | - | 231 |
| Inventories | - | - | - | - | 761 | - | - | 761 |
| Prepaids | 801 | 331 | - | 382 | 2 | - | - | 1,516 |
| Total current assets | 13,432 | 2,579 | 14,751 | 9,065 | 7,199 | 22,852 | 2,610 | 72,488 |
| Noncurrent Assets: | | | | | | | | |
| Receivables | | | | | | | | |
| Leases | - | 4,740 | - | - | - | - | - | 4,740 |
| Capital assets: | | | | | | | | |
| Non-depreciable | | | | | | | | |
| Land, easements, and rights of way | - | - | - | - | 510 | - | - | 510 |
| Construction in progress | - | - | - | - | 399 | - | - | 399 |
| Depreciable/amortizable | | | | | | | | |
| Buildings | 625 | 311 | - | - | 3,227 | - | - | 4,163 |
| Improvements | - | 2 | - | - | 27 | - | - | 29 |
| Equipment | 10,895 | 20,592 | - | - | 44,384 | - | - | 75,871 |
| Software | - | 817 | - | - | - | - | - | 817 |
| Infrastructure | - | 283 | - | - | - | - | - | 283 |
| Intangible right-to-use building | - | - | - | - | - | 1,111 | - | 1,111 |
| Intangible right-to-use machinery and equipment | 4,361 | - | - | - | - | - | - | 4,361 |
| Intangible right-to-use infrastructure | - | 10,312 | - | - | - | - | - | 10,312 |
| Intangible right-to-use SBITA | 4,154 | - | - | - | - | - | - | 4,154 |
| Less accumulated depreciation and amortization | (12,395) | (14,169) | - | - | (31,208) | (230) | - | (58,002) |
| Total noncurrent assets | 7,640 | 22,888 | - | - | 17,339 | 881 | - | 48,748 |
| Total assets | 21,072 | 25,467 | 14,751 | 9,065 | 24,538 | 23,733 | 2,610 | 121,236 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | | | |
| Unamortized pension costs and subsequent contributions | 706 | 32 | 118 | 102 | 769 | - | - | 1,727 |
| Unamortized other postemployment benefits costs | 634 | 114 | 132 | 114 | 827 | - | - | 1,821 |
| Total deferred outflows of resources | 1,340 | 146 | 250 | 216 | 1,596 | - | - | 3,548 |

(continued)

Lee County, Florida
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
As of September 30, 2024

(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 | 1,055 | 22 | 2,601 | 22 | 820 | 171 | 11 | 4,702 |
| Accrued liabilities | 70 | 5 | 12 | 11 | 90 | - | 35 | 223 |
| Due to other funds | - | - | - | 1,446 | - | - | - | 1,446 |
| Due to other governments | 39 | 128 | 6 | 15 | 79 | - | - | 267 |
| Accrued interest payable | 127 | 86 | - | - | - | - | - | 213 |
| Leases payable | 848 | 113 | - | - | - | 68 | - | 1,029 |
| SBITA payable | 1,368 | - | - | - | - | - | - | 1,368 |
| Self-insurance claims payable | - | - | 9,314 | 2,266 | - | 3,210 | 810 | 15,600 |
| Compensated absences | 12 | 1 | 3 | 3 | 18 | - | - | 37 |
| Net pension liability | 3 | 1 | 1 | 1 | 4 | - | - | 10 |
| Total current liabilities | 3,522 | 356 | 11,937 | 3,764 | 1,011 | 3,449 | 856 | 24,895 |
| Noncurrent liabilities: | | | | | | | | |
| Self-insurance claims payable | - | - | - | 9,040 | - | - | - | 9,040 |
| Compensated absences | 196 | 9 | 55 | 48 | 290 | - | - | 598 |
| Leases payable | 1,649 | 9,891 | - | - | - | 872 | - | 12,412 |
| SBITA payable | 48 | - | - | - | - | - | - | 48 |
| Net pension liability | 2,558 | 169 | 445 | 387 | 2,880 | - | - | 6,439 |
| Total other postemployment benefits liability | 2,410 | 435 | 502 | 435 | 3,146 | - | - | 6,928 |
| Total noncurrent liabilities | 6,861 | 10,504 | 1,002 | 9,910 | 6,316 | 872 | - | 35,465 |
| Total liabilities | 10,383 | 10,860 | 12,939 | 13,674 | 7,327 | 4,321 | 856 | 60,360 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Unamortized pension costs | 283 | 23 | 50 | 43 | 326 | - | - | 725 |
| Unamortized other postemployment benefits costs | 1,260 | 228 | 263 | 228 | 1,645 | - | - | 3,624 |
| Unamortized leases | - | 4,937 | - | - | - | - | - | 4,937 |
| Total deferred inflows of resources | 1,543 | 5,188 | 313 | 271 | 1,971 | - | - | 9,286 |
| NET POSITION | | | | | | | | |
| Net investment in capital assets | 3,727 | 8,143 | - | - | 16,873 | - | - | 28,743 |
| Unrestricted (deficit) | 6,759 | 1,422 | 1,749 | (4,664) | (37) | 19,412 | 1,754 | 26,395 |
| Total net position | $ 10,486 | $ 9,565 | $ 1,749 | $ (4,664) | $ 16,836 | $ 19,412 | $ 1,754 | $ 55,138 |

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, 2024

(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 | $ 18,129 | $ 3,472 | $ 87,296 | $ 12,873 | $ 11,620 | $ 41,472 | $ 5,527 | $ 180,389 |
| Rentals and franchise fees | 91 | 428 | - | - | - | - | - | 519 |
| Total operating revenues | 18,220 | 3,900 | 87,296 | 12,873 | 11,620 | 41,472 | 5,527 | 180,908 |
| OPERATING EXPENSES | | | | | | | | |
| Salaries and wages | 2,665 | 102 | 475 | 409 | 2,716 | - | - | 6,367 |
| Employee benefits | 709 | 27 | 157 | 124 | 929 | - | - | 1,946 |
| Pension and OPEB expense (benefit) | 95 | 551 | - | (237) | (124) | - | - | 285 |
| Contractual services, materials and supplies | 7,442 | 240 | 4,486 | 461 | 3,614 | 1,825 | 320 | 18,388 |
| Utilities | 1,565 | 423 | 4 | 4 | 85 | - | - | 2,081 |
| Repairs and maintenance | 397 | 1,044 | - | - | 3,288 | - | - | 4,729 |
| Insurance | 16 | 16 | - | 11,757 | 44 | 3,641 | 101 | 15,575 |
| Insurance claims | - | - | 96,569 | 3,986 | - | 38,094 | 4,386 | 143,035 |
| Other | 453 | 159 | 205 | 73 | 491 | 1,380 | - | 2,761 |
| Depreciation and amortization | 2,593 | 1,214 | - | - | 3,114 | 95 | - | 7,016 |
| Total operating expenses | 15,935 | 3,776 | 101,896 | 16,577 | 14,157 | 45,035 | 4,807 | 202,183 |
| Operating income (loss) | 2,285 | 124 | (14,600) | (3,704) | (2,537) | (3,563) | 720 | (21,275) |
| NON-OPERATING REVENUES (EXPENSES) | | | | | | | | |
| Investment earnings | 671 | 127 | 1,644 | 622 | 287 | 554 | 34 | 3,939 |
| Grants | 248 | (125) | - | - | - | - | - | 123 |
| Interest expense | (211) | (442) | - | - | - | (38) | - | (691) |
| Gain (loss) on disposal of capital assets | - | 5 | - | - | 402 | - | - | 407 |
| Other revenues | 244 | 3 | 2 | - | 15 | - | - | 264 |
| Total non-operating revenues (expenses) | 952 | (432) | 1,646 | 622 | 704 | 516 | 34 | 4,042 |
| Income (loss) before transfers | 3,237 | (308) | (12,954) | (3,082) | (1,833) | (3,047) | 754 | (17,233) |
| Transfers in | - | - | - | - | 4,000 | - | - | 4,000 |
| Transfers out | - | (1,000) | - | - | - | - | - | (1,000) |
| Total transfers | - | (1,000) | - | - | 4,000 | - | - | 3,000 |
| Change in net position | 3,237 | (1,308) | (12,954) | (3,082) | 2,167 | (3,047) | 754 | (14,233) |
| Total net position - beginning | 7,249 | 10,873 | 14,703 | (1,582) | 14,669 | 22,459 | 1,000 | 69,371 |
| Total net position - ending | $ 10,486 | $ 9,565 | $ 1,749 | $ (4,664) | $ 16,836 | $ 19,412 | $ 1,754 | $ 55,138 |

See accompanying independent auditors' report.

Lee County, Florida
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2024
(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 | $ 340 | $ 2,629 | $ 15,633 | $ 4 | $ 88 | $ - | $ - | $ 18,694 |
| Receipts from interfund services provided | 18,127 | 1,684 | 72,005 | 12,869 | 11,540 | 41,472 | 5,526 | 163,223 |
| Payments to suppliers | (9,520) | (1,429) | (97,903) | (15,485) | (7,277) | (44,395) | (3,950) | (179,959) |
| Payments to employees | (3,233) | (139) | (564) | (503) | (3,283) | - | - | (7,722) |
| Payments for interfund services used | (557) | (220) | (156) | (117) | (918) | - | - | (1,968) |
| Net cash provided by (used in) operating activities | 5,157 | 2,525 | (10,985) | (3,232) | 150 | (2,923) | 1,576 | (7,732) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | | | | |
| Non-capital grant issued | - | (126) | - | - | - | - | - | (126) |
| Repayment of interfund loans received | - | (300) | - | - | - | - | - | (300) |
| Transfer in | - | - | - | - | 4,000 | - | - | 4,000 |
| Transfer out | - | (1,000) | - | - | - | - | - | (1,000) |
| Net cash provided by (used in) noncapital financing activities | - | (1,426) | - | - | 4,000 | - | - | 2,574 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | | | | |
| Capital asset purchases | (498) | (39) | - | - | (2,990) | - | - | (3,527) |
| Principal paid on bonds, loans, leases, and interfund loans | (2,136) | (92) | - | - | - | (65) | - | (2,293) |
| Interest paid on bonds, loans, leases, and interfund loans | (280) | (443) | - | - | - | (38) | - | (761) |
| Proceeds from sale of capital assets | - | 5 | - | - | 438 | - | - | 443 |
| Net cash (used in) capital and related financing activities | (2,914) | (569) | - | - | (2,552) | (103) | - | (6,138) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | |
| Interest on investments | 661 | 124 | 1,648 | 624 | 280 | 554 | 34 | 3,925 |
| Net cash provided by investing activities | 661 | 124 | 1,648 | 624 | 280 | 554 | 34 | 3,925 |
| Net increase (decrease) in cash and equity in pooled cash and investments | 2,904 | 654 | (9,337) | (2,608) | 1,878 | (2,472) | 1,610 | (7,371) |
| Cash and cash equivalents at beginning of year | 9,684 | 1,163 | 23,524 | 11,278 | 4,531 | 25,324 | 1,000 | 76,504 |
| Cash and cash equivalents at end of year | $ 12,588 | $ 1,817 | $ 14,187 | $ 8,670 | $ 6,409 | $ 22,852 | $ 2,610 | $ 69,133 |
| Classified as: | | | | | | | | |
| Current assets | $ 12,588 | $ 1,817 | $ 14,187 | $ 8,670 | $ 6,409 | $ 22,852 | $ 2,610 | $ 69,133 |

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2024
(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 | $ - | $ - | $ - | $ - | $ 468 | $ - | $ - | $ 468 |
| Loss on disposal of capital assets | - | - | - | - | (36) | - | - | (36) |
| Capital assets acquired through lease | - | - | - | - | - | - | - | - |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES: | | | | | | | | |
| Operating income (loss) | $ 2,285 | $ 124 | $ (14,600) | $ (3,704) | $ (2,537) | $ (3,563) | $ 720 | $ (21,275) |
| Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities: | | | | | | | | |
| Depreciation and amortization | 2,593 | 1,214 | - | - | 3,114 | 95 | - | 7,016 |
| Other revenues | 492 | 3 | 2 | - | 15 | - | - | 512 |
| Decrease in accounts receivable | - | 389 | 43 | - | 9 | - | - | 441 |
| Decrease in lease receivable | - | 70 | - | - | - | - | - | 70 |
| (Increase) decrease in due from other funds | 1 | 69 | 419 | - | (4) | - | - | 485 |
| (Increase) decrease in due from other governments | 1 | 7 | (122) | - | (13) | - | - | (127) |
| (Increase) in inventories | - | - | - | - | (21) | - | - | (21) |
| (Increase) decrease in other assets | (327) | 250 | - | (10) | - | - | - | (87) |
| Increase (decrease) in contracts and accounts payable | 357 | 1 | 2,539 | (262) | (3) | 3 | - | 2,635 |
| Increase in accrued liabilities | 10 | 4 | 3 | 1 | 36 | - | 35 | 89 |
| Increase in due to other funds | - | - | - | 1,371 | - | - | - | 1,371 |
| Increase (decrease) in due to other governments | 3 | (5) | 1 | 10 | 12 | - | - | 21 |
| Increase (decrease) in compensated absences | 54 | 4 | 17 | (1) | 50 | - | - | 124 |
| (Decrease) in deferred inflows related to leases | - | (124) | - | - | - | - | - | (124) |
| (Decrease) in net pension liability | (317) | (6) | (45) | (167) | (315) | - | - | (850) |
| Decrease in deferred outflows related to pensions | 39 | 18 | 4 | 36 | 30 | - | - | 127 |
| Increase in deferred inflows related to pensions | 215 | 22 | 37 | 28 | 236 | - | - | 538 |
| Increase (decrease) in total other postemployment benefits liability | 435 | 397 | 80 | (16) | 488 | - | - | 1,384 |
| (Increase) in deferred outflows related to other postemployment benefits | (306) | (108) | (62) | (39) | (386) | - | - | (901) |
| Increase (decrease) in deferred inflows related to other postemployment benefits | (378) | 196 | (87) | (148) | (561) | - | - | (978) |
| Increase (decrease) in other liabilities | - | - | 786 | (331) | - | 542 | 821 | 1,818 |
| Total adjustments | 2,872 | 2,401 | 3,615 | 472 | 2,687 | 640 | 856 | 13,543 |
| Net cash provided by (used in) operating activities | $ 5,157 | $ 2,525 | $ (10,985) | $ (3,232) | $ 150 | $ (2,923) | $ 1,576 | $ (7,732) |

See accompanying independent auditors' report.

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2024
(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 | $ 18,128 | $ 18,129 | $ 3,307 | $ 3,472 | $ 88,861 | $ 87,296 |
| Rentals and franchise fees | - | 91 | 426 | 388 | - | - |
| Total operating revenues | 18,128 | 18,220 | 3,733 | 3,860 | 88,861 | 87,296 |
| OPERATING EXPENSES | | | | | | |
| Salaries and wages | 2,780 | 2,611 | 56 | 98 | 459 | 459 |
| Employee benefits | 774 | 709 | 21 | 27 | 156 | 157 |
| Pension and OPEB expense | 429 | 406 | 29 | 33 | 73 | 73 |
| Contractual services, materials, and supplies | 9,922 | 7,720 | 1,217 | 245 | 12,688 | 4,486 |
| Utilities | 1,980 | 1,560 | 171 | 172 | 4 | 4 |
| Repairs and maintenance | 551 | 452 | 104 | 1,039 | - | - |
| Insurance | 16 | 16 | 16 | 16 | - | - |
| Insurance claims | - | - | - | - | 89,448 | 95,783 |
| Other | 446 | 453 | 156 | 158 | 237 | 205 |
| Total operating expenses | 16,898 | 13,927 | 1,770 | 1,788 | 103,065 | 101,167 |
| Operating income (loss) | 1,230 | 4,293 | 1,963 | 2,072 | (14,204) | (13,871) |
| NON - OPERATING REVENUES (EXPENSES) | | | | | | |
| Interest earnings | 80 | 327 | 5 | 77 | 450 | 566 |
| Grants | - | 248 | (138) | (126) | - | - |
| Other debt proceeds | - | - | - | - | - | - |
| Interest expense | - | (280) | - | (443) | - | - |
| Capital outlay | (1,534) | (498) | (63) | (39) | - | - |
| Principal retirement | (1,002) | (2,137) | (526) | (93) | - | - |
| Proceeds from capital asset disposal | - | - | - | 5 | - | - |
| Other revenues | - | 244 | - | 3 | - | 2 |
| Total non - operating revenues (expenses) | (2,456) | (2,096) | (722) | (616) | 450 | 568 |
| Income (loss) before transfers | (1,226) | 2,197 | 1,241 | 1,456 | (13,754) | (13,303) |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | (2,000) | (1,000) | - | - |
| Total transfers | - | - | (2,000) | (1,000) | - | - |
| Change in net position | (1,226) | 2,197 | (759) | 456 | (13,754) | (13,303) |
| Total net position - beginning | 9,223 | 11,909 | 1,188 | 96 | 25,596 | 26,485 |
| Total net position - ending | $ 7,997 | $ 14,106 | $ 429 | $ 552 | $ 11,842 | $ 13,182 |

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
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2024
(amounts expressed in thousands)

| | Self-Insurance General Liability | | Fleet Management | | Total | | |
|---|---|---|---|---|---|---|---|
| | Budget | Actual | Budget | Actual | Budget | Actual | Variance Positive (Negative) |
| OPERATING REVENUES | | | | | | | |
| User fees | $ 12,871 | $ 12,873 | $ 11,569 | $ 11,620 | $ 134,736 | $ 133,390 | $ (1,346) |
| Rentals and franchise fees | - | - | - | - | 426 | 479 | $ 53 |
| Total operating revenues | 12,871 | 12,873 | 11,569 | 11,620 | 135,162 | 133,869 | (1,293) |
| OPERATING EXPENSES | | | | | | | |
| Salaries and wages | 466 | 410 | 2,779 | 2,666 | 6,540 | 6,244 | 296 |
| Employee benefits | 145 | 124 | 1,009 | 929 | 2,105 | 1,946 | 159 |
| Pension and OPEB expense | 77 | 69 | 388 | 384 | 996 | 965 | 31 |
| Contractual services, materials, and supplies | 501 | 461 | 3,674 | 3,635 | 28,002 | 16,547 | 11,455 |
| Utilities | 5 | 4 | 80 | 86 | 2,240 | 1,826 | 414 |
| Repairs and maintenance | 1 | - | 3,104 | 3,288 | 3,760 | 4,779 | (1,019) |
| Insurance | 8,966 | 11,767 | 44 | 44 | 9,042 | 11,843 | (2,801) |
| Insurance claims | 7,500 | 4,317 | - | - | 96,948 | 100,100 | (3,152) |
| Other | 89 | 73 | 489 | 491 | 1,417 | 1,380 | 37 |
| Total operating expenses | 17,750 | 17,225 | 11,567 | 11,523 | 151,050 | 145,630 | 5,420 |
| Operating income (loss) | (4,879) | (4,352) | 2 | 97 | (15,888) | (11,761) | 4,127 |
| NON - OPERATING REVENUES (EXPENSES) | | | | | | | |
| Interest earnings | 140 | 148 | - | 131 | 675 | 1,249 | 574 |
| Grants | - | - | - | - | (138) | 122 | 260 |
| Other debt proceeds | - | - | - | - | - | - | - |
| Interest expense | - | - | - | - | - | (723) | (723) |
| Capital outlay | - | - | (7,919) | (3,290) | (9,516) | (3,827) | 5,689 |
| Principal retirement | - | - | - | - | (1,528) | (2,230) | (702) |
| Proceeds from capital asset disposal | - | - | 355 | 438 | 355 | 443 | 88 |
| Other revenues | - | - | 8 | 15 | 8 | 264 | 256 |
| Total non - operating revenues (expenses) | 140 | 148 | (7,556) | (2,706) | (10,144) | (4,702) | 5,442 |
| Income (loss) before transfers | (4,739) | (4,204) | (7,554) | (2,609) | (26,032) | (16,463) | 9,569 |
| Transfers in | - | - | 4,000 | 4,000 | 4,000 | 4,000 | - |
| Transfers out | - | - | - | - | (2,000) | (1,000) | 1,000 |
| Total transfers | - | - | 4,000 | 4,000 | 2,000 | 3,000 | 1,000 |
| Change in net position | (4,739) | (4,204) | (3,554) | 1,391 | (24,032) | (13,463) | 10,569 |
| Total net position - beginning | 11,494 | 9,372 | 4,892 | 2,957 | 52,393 | 50,819 | (1,574) |
| Total net position - ending | $ 6,755 | $ 5,168 | $ 1,338 | $ 4,348 | $ 28,361 | $ 37,356 | $ 8,995 |




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# FIDUCIARY *Funds*



*Photo Credit: Tina Prince*

# *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 accurately account for the assets managed by the Clerk of Circuit Court in a fiduciary capacity on behalf of individuals, organizations, and other governments. The Clerk reports on the activities of five Custodial Funds: Fines and Forfeitures, Jury and Witness, Delinquent Tax, Registry of Court, and Cash Bonds and Deposits.

*Tax Collector* - To accurately account for the assets managed by the Tax Collector in a fiduciary capacity on behalf of individuals, organizations, and other governments. These assets are designated for various purposes, including the Fee Operating Fund, Ad Valorem Taxes, Individual Tax Certificates, Title and Registrations, Driver Licenses, Hunting and Fishing Licenses and Permits, Business Tax and Occupational Licenses, and Concealed Weapon Licenses.

Lee County, Florida
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
As of September 30, 2024
(amounts expressed in thousands)

| | Clerk of Circuit Court | Tax Collector | Total |
|---|---|---|---|
| ASSETS | | | |
| Cash, cash equivalents and investments | $ 35,331 | $ 23,831 | $ 59,162 |
| Accounts receivable | - | 10 | 10 |
| Total Assets | 35,331 | 23,841 | 59,172 |
| LIABILITIES AND NET POSITION | | | |
| Contracts and accounts payable | 432 | - | 432 |
| Due to individuals | - | 1,484 | 1,484 |
| Due to other governments | 4,745 | 22,357 | 27,102 |
| Total Liabilities | 5,177 | 23,841 | 29,018 |
| Fiduciary Net Position Restricted for | | | |
| Individuals, organizations, and other governments | 30,154 | - | 30,154 |
| Total fiduciary net position | 30,154 | - | 30,154 |
| Total liabilities and fiduciary net position | $ 35,331 | $ 23,841 | $ 59,172 |

See accompanying independent auditors' report.

Lee County, Florida
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2024
(amounts expressed in thousands)

| | Clerk of Circuit Court | Tax Collector | Total |
|---|---|---|---|
| ADDITIONS | | | |
| Fees/Fines collected for other governments | $ 189,340 | $ 1,687,269 | $ 1,876,609 |
| Registry and other deposits collected | 59,687 | - | 59,687 |
| Total additions | 249,027 | 1,687,269 | 1,936,296 |
| DEDUCTIONS | | | |
| Fees/Fines disbursed to other governments | 189,340 | 1,687,269 | 1,876,609 |
| Registry and other deposits disbursed | 54,848 | - | 54,848 |
| Total deductions | 244,188 | 1,687,269 | 1,931,457 |
| Change in fiduciary net position | 4,839 | - | 4,839 |
| Fiduciary net position - beginning | 25,315 | | 25,315 |
| Fiduciary net position - ending | $ 30,154 | $ - | $ 30,154 |

See accompanying independent auditors' report.

# STATISTICAL *Section*

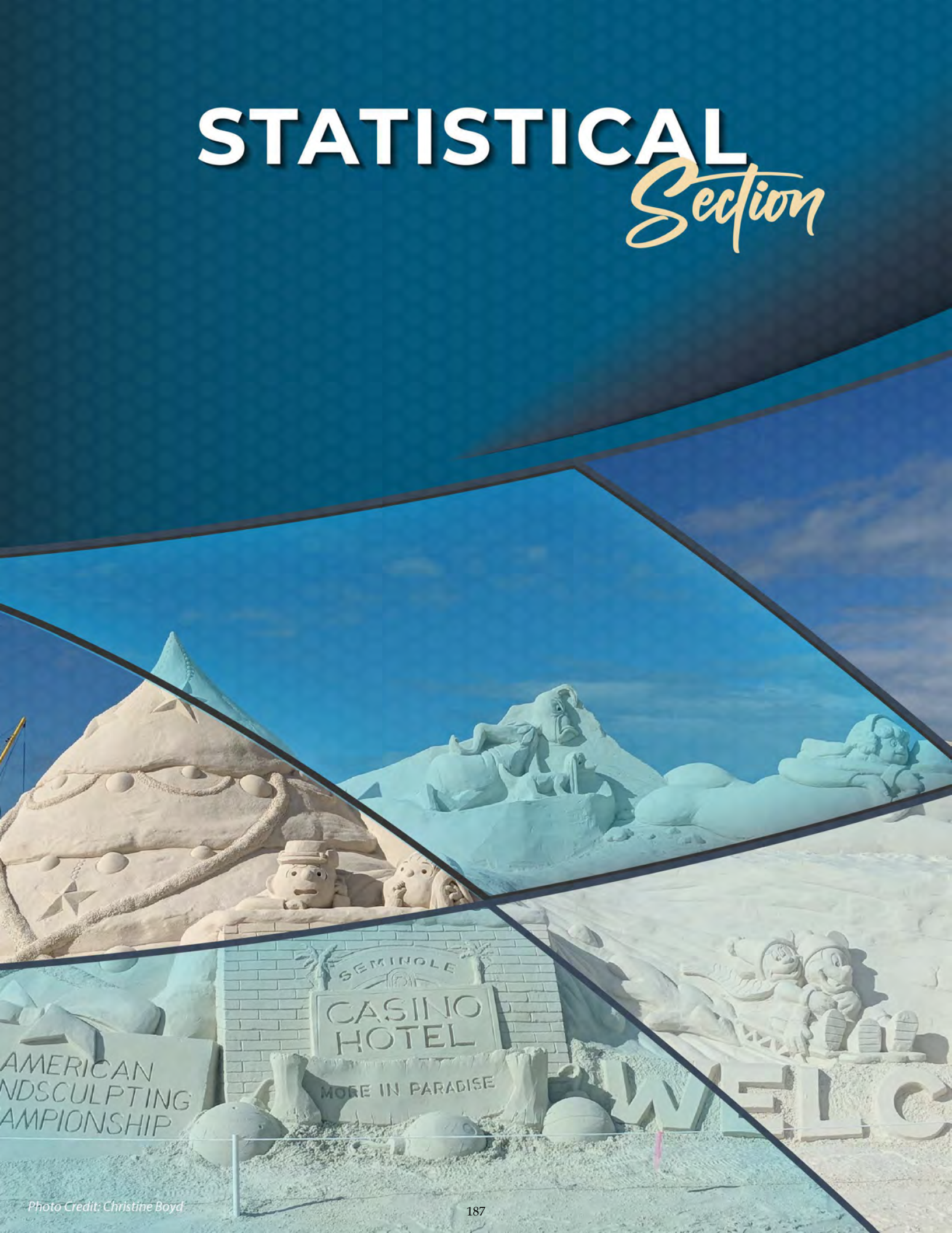



Photo Credit: Christine Boyd

# *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)

| | 2015 | 2016 | 2017 | 2018[1] | 2019 | 2020 | 2021[2] | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental Activities | | | | | | | | | | |
| Net investment in capital assets | $ 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 | $ 1,837,103 |
| Restricted for: | | | | | | | | | | |
| Capital projects | 105,692 | 127,648 | 152,764 | 167,027 | 167,230 | 198,001 | 203,337 | 255,645 | 272,254 | 267,274 |
| Debt service | 8,012 | 10,011 | 10,110 | 22,154 | 11,609 | 11,777 | 11,873 | 12,626 | 13,411 | 14,580 |
| Disaster recovery [3] | - | - | - | - | - | - | - | - | - | 3,328 |
| Inventory for resale | 2,301 | 1,562 | 414 | 410 | 404 | 416 | 294 | 294 | 294 | 294 |
| Special revenue funds | 77,274 | 80,192 | 84,934 | 92,651 | 105,135 | 123,973 | 139,896 | 148,283 | 195,787 | 237,930 |
| Unrestricted | (2,694) | (47,729) | (336,609) | (471,805) | (558,635) | (636,341) | (552,416) | (571,973) | (573,236) | (606,135) |
| Governmental activities net position | 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 | 1,754,374 |
| Business-type Activities | | | | | | | | | | |
| Net investment in capital assets | 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 | 1,571,639 |
| Restricted for: | | | | | | | | | | |
| Capital projects | 67,931 | 84,864 | 98,620 | 123,244 | 141,619 | 134,613 | 123,254 | 123,937 | 121,719 | 119,339 |
| Debt service | 32,265 | 28,204 | 33,955 | 30,937 | 32,846 | 36,201 | 29,291 | 40,289 | 47,697 | 45,429 |
| Renewal and replacement | 20,632 | 24,135 | 26,120 | 28,154 | 23,728 | 25,710 | 50,851 | 42,920 | 35,535 | 39,007 |
| Unrestricted | 250,618 | 259,403 | 187,005 | 169,639 | 166,077 | 123,986 | 151,022 | 171,943 | 17,007 | 153,439 |
| Business-type activities net position | 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 | 1,928,853 |
| Primary Government | | | | | | | | | | |
| Net investment in capital assets | 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 | 3,408,742 |
| Restricted for: | | | | | | | | | | |
| Capital projects | 173,623 | 212,512 | 251,384 | 290,271 | 308,849 | 332,614 | 326,591 | 379,582 | 393,973 | 386,613 |
| Debt service | 40,277 | 38,215 | 44,065 | 53,091 | 44,455 | 47,978 | 41,164 | 52,915 | 61,108 | 60,009 |
| Disaster recovery [3] | - | - | - | - | - | - | - | - | - | 3,328 |
| Inventory for resale | 2,301 | 1,562 | 414 | 410 | 404 | 416 | 294 | 294 | 294 | 294 |
| Special revenue funds | 77,274 | 80,192 | 84,934 | 92,651 | 105,135 | 123,973 | 139,896 | 148,283 | 195,787 | 237,930 |
| Renewal and replacement | 20,632 | 24,135 | 26,120 | 28,154 | 23,728 | 25,710 | 50,851 | 42,920 | 35,535 | 39,007 |
| Unrestricted | 247,924 | 211,674 | (149,604) | (302,166) | (392,558) | (512,355) | (401,394) | (400,030) | (556,229) | (452,696) |
| Total primary government net position | $ 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 | $ 3,683,227 |

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 2018 balances are restated due to a prior period adjustment related to OPEB.

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

[3] Fiscal Year 2024 broke out Disaster recovery

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

| | 2015 | 2016 | 2017 | 2018[2] | 2019 | 2020 | 2021[3] | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General government | $ 208,748 | $ 228,779 | $ 216,689 | $ 259,143 | $ 256,680 | $ 326,768 | $ 327,543 | $ 324,127 | $ 397,911 | $ 377,307 |
| Public safety | 209,156 | 234,012 | 261,812 | 281,579 | 296,367 | 295,003 | 270,408 | 330,695 | 392,873 | 425,266 |
| Physical environment | 13,919 | 13,251 | 13,961 | 15,393 | 21,293 | 16,617 | 16,160 | 20,561 | 31,986 | 32,004 |
| Transportation | 57,719 | 56,614 | 66,170 | 66,161 | 75,011 | 76,784 | 73,550 | 74,652 | 86,481 | 104,477 |
| Economic environment | 27,276 | 28,571 | 30,898 | 34,395 | 34,064 | 28,478 | 31,403 | 37,738 | 40,110 | 64,187 |
| Human services | 20,273 | 21,528 | 22,379 | 27,512 | 23,532 | 24,628 | 33,767 | 27,658 | 32,690 | 29,258 |
| Culture and recreation | 78,393 | 79,514 | 81,038 | 94,304 | 94,958 | 86,737 | 83,611 | 93,904 | 102,508 | 107,922 |
| Interest on long-term debt | 11,189 | 10,494 | 10,125 | 9,682 | 9,387 | 6,771 | 6,389 | 7,554 | 11,403 | 11,722 |
| Total governmental activities expenses | 626,673 | 672,763 | 703,072 | 788,169 | 811,292 | 861,786 | 842,831 | 916,889 | 1,095,962 | 1,152,143 |
| Business-type Activities: | | | | | | | | | | |
| Airport | 104,830 | 118,403 | 118,706 | 117,411 | 119,464 | 123,601 | 114,349 | 127,838 | 157,683 | 161,971 |
| Water and wastewater | 104,153 | 107,311 | 112,498 | 122,288 | 137,374 | 136,499 | 130,186 | 144,753 | 160,107 | 161,912 |
| Transit | 27,171 | 28,713 | 30,816 | 34,879 | 35,914 | 32,767 | 33,415 | 31,736 | 40,085 | 37,879 |
| Transportation facilities | 24,064 | 23,191 | 23,457 | 21,118 | 26,177 | 23,238 | 25,408 | 29,043 | 25,607 | 32,584 |
| Solid waste | 84,348 | 90,159 | 96,222 | 130,399 | 105,596 | 103,896 | 104,506 | 115,314 | 283,893 | 154,498 |
| Total business-type activities expenses | 344,566 | 367,777 | 381,699 | 426,095 | 424,525 | 420,001 | 407,864 | 448,684 | 667,375 | 548,844 |
| Total primary government expenses | $ 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 | $ 1,700,987 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | $ 68,019 | $ 73,047 | $ 70,823 | $ 72,749 | $ 74,266 | $ 74,626 | $ 83,955 | $ 83,996 | $ 87,833 | $ 92,406 |
| Public safety | 41,707 | 43,416 | 41,992 | 47,012 | 47,215 | 44,933 | 46,608 | 48,703 | 51,326 | 45,754 |
| Physical environment | 2,134 | 2,039 | 2,088 | 2,336 | 2,588 | 2,529 | 2,602 | 2,910 | 3,163 | 3,689 |
| Transportation | 905 | 1,024 | 1,225 | 1,107 | 1,471 | 1,700 | 5,167 | 1,618 | 2,082 | 1,556 |
| Economic environment | 550 | 440 | 495 | 633 | 170 | 211 | 88 | 56 | 327 | 116 |
| Human services | 2,236 | 2,542 | 2,643 | 2,717 | 2,807 | 2,620 | 2,677 | 2,976 | 2,979 | 2,934 |
| Culture and recreation | 6,626 | 6,276 | 6,343 | 6,306 | 6,463 | 5,339 | 6,156 | 7,128 | 4,013 | 7,064 |
| Operating grants and contributions | 35,056 | 35,317 | 35,515 | 36,129 | 36,030 | 103,754 | 137,039 | 100,373 | 170,261 | 160,601 |
| Capital grants and contributions | 6,537 | 13,870 | 16,327 | 14,871 | 28,071 | 21,755 | 66,888 | 79,660 | 82,967 | 92,424 |
| Governmental activities program revenues | 163,770 | 177,971 | 177,451 | 183,860 | 199,081 | 257,467 | 351,180 | 327,420 | 404,951 | 406,544 |
| Business-type Activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Airport | 109,705 | 111,544 | 115,401 | 119,945 | 123,102 | 99,562 | 119,741 | 148,684 | 142,803 | 174,053 |
| Water and wastewater | 106,787 | 108,034 | 112,021 | 112,614 | 115,469 | 116,654 | 117,183 | 117,888 | 116,340 | 127,532 |
| Transit | 4,000 | 4,052 | 4,015 | 4,063 | 4,129 | 2,923 | 3,262 | 3,489 | 3,560 | 4,247 |
| Transportation facilities | 43,083 | 44,792 | 44,365 | 45,678 | 46,806 | 42,461 | 43,399 | 55,225 | 41,221 | 59,145 |
| Solid waste | 72,407 | 76,078 | 81,541 | 91,426 | 93,966 | 90,415 | 105,539 | 125,579 | 145,344 | 147,035 |
| Operating grants and contributions | 6,493 | 8,012 | 6,876 | 7,206 | 10,784 | 50,781 | 29,258 | 34,264 | 77,619 | 143,601 |
| Capital grants and contributions | 40,757 | 57,482 | 55,114 | 45,668 | 59,398 | 44,475 | 72,549 | 85,783 | 68,172 | 103,435 |
| Business-type activities program revenues | 383,232 | 409,994 | 419,333 | 426,600 | 453,654 | 447,271 | 490,931 | 570,912 | 595,059 | 759,048 |
| Total primary government program revenues | $ 547,002 | $ 587,965 | $ 596,784 | $ 610,460 | $ 652,735 | $ 704,738 | $ 842,111 | $ 898,332 | $ 1,000,010 | $ 1,165,592 |

(continued)

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

| | 2015 | 2016 | 2017 | 2018[2] | 2019 | 2020 | 2021[3] | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Net (Expense) Revenue[1] | | | | | | | | | | |
| Governmental Activities | $ (462,903) | $ (494,792) | $ (525,621) | $ (604,309) | $ (612,211) | $ (604,319) | $ (491,651) | $ (589,469) | $ (691,011) | $ (745,599) |
| Business-type Activities | 38,666 | 42,217 | 37,634 | 505 | 29,129 | 27,270 | 83,067 | 122,228 | (72,316) | 210,204 |
| Total primary government net expense | $ (424,237) | $ (452,575) | $ (487,987) | $ (603,804) | $ (583,082) | $ (577,049) | $ (408,584) | $ (467,241) | $ (763,327) | $ (535,395) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | $ 292,170 | $ 308,241 | $ 328,696 | $ 356,849 | $ 372,865 | $ 397,610 | $ 425,375 | $ 437,992 | $ 495,744 | $ 540,769 |
| Gas taxes | 20,157 | 20,404 | 20,860 | 21,244 | 21,440 | 20,364 | 22,530 | 23,713 | 26,326 | 25,179 |
| Tourist taxes | 37,560 | 39,638 | 39,651 | 42,346 | 42,584 | 37,990 | 52,822 | 66,843 | 36,711 | 44,261 |
| Communication taxes | 9,268 | 8,705 | 9,470 | 7,426 | 7,299 | 6,894 | 6,540 | 6,721 | 6,822 | 6,688 |
| Franchise fees | 19,476 | 17,369 | 17,209 | 17,494 | 18,362 | 18,176 | 18,775 | 22,705 | 25,937 | 25,240 |
| Local Business taxes | - | - | 888 | 972 | 985 | 933 | 929 | 831 | 866 | 875 |
| Unrestricted grants and contributions | 61,140 | 63,286 | 65,326 | 75,186 | 73,969 | 70,123 | 84,359 | 104,269 | 111,962 | 103,302 |
| Investment earnings | 2,860 | 4,728 | 6,109 | 10,223 | 20,172 | 11,113 | 1,030 | (37,478) | 42,555 | 77,103 |
| Miscellaneous | 13,698 | 10,292 | 9,163 | 17,791 | 10,900 | 15,085 | 8,964 | 14,183 | 34,188 | 30,521 |
| Transfers | 12,323 | (1,083) | (139) | 5,972 | 2,419 | 44,558 | 13,977 | 16,918 | 3,612 | (23,184) |
| Total governmental activities general revenues and transfers | 468,652 | 471,580 | 497,233 | 555,503 | 570,995 | 622,846 | 635,301 | 656,697 | 784,723 | 830,754 |
| Business-type Activities: | | | | | | | | | | |
| Property taxes | 584 | 1,257 | 1,864 | 2,142 | 2,103 | 2,266 | 2,803 | 3,169 | 1 | - |
| Franchise fees | 1,778 | 1,984 | 2,464 | 2,328 | 2,366 | 2,383 | 2,652 | 2,664 | 3,025 | 3,457 |
| Investment earnings | 1,580 | 3,129 | 5,210 | 9,557 | 17,156 | 9,465 | 704 | (14,145) | 42,401 | 43,952 |
| Miscellaneous | 1,762 | 1,559 | 1,921 | 2,361 | 2,105 | 1,883 | 2,143 | 1,506 | 3,446 | 8,767 |
| Special item-loss on discontinued project | - | - | - | - | - | - | - | - | (74,725) | (3,044) |
| Transfers | (12,323) | 1,083 | 139 | (5,972) | (2,419) | (44,558) | (13,977) | (16,918) | (3,612) | 23,184 |
| Total Business-type activities general revenues, special item, and transfers | (6,619) | 9,012 | 11,598 | 10,416 | 21,311 | (28,561) | (5,675) | (23,724) | (29,464) | 76,316 |
| Total primary government general revenues, special item, and transfers | $ 462,033 | $ 480,592 | $ 508,831 | $ 565,919 | $ 592,306 | $ 594,285 | $ 629,626 | $ 632,973 | $ 755,259 | $ 907,070 |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | $ 5,749 | $ (23,212) | $ (28,388) | $ (48,806) | $ (41,216) | $ 18,527 | $ 143,650 | $ 67,228 | $ 93,712 | $ 85,155 |
| Business-type activities | 32,047 | 51,229 | 49,232 | 10,921 | 50,440 | (1,291) | 77,392 | 98,504 | (101,780) | 286,520 |
| Total primary government | $ 37,796 | $ 28,017 | $ 20,844 | $ (37,885) | $ 9,224 | $ 17,236 | $ 221,042 | $ 165,732 | $ (8,068) | $ 371,675 |

[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 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 3
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(amounts expressed in thousands)

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| General Fund | | | | | | | | | | |
| Nonspendable | $ 330 | $ 292 | $ 321 | $ 346 | $ 375 | $ 363 | $ 391 | $ 3,452 | $ 5,761 | $ 7,007 |
| Restricted | 2,301 | 1,562 | 414 | 410 | 404 | 416 | 294 | 294 | 294 | 161,426 |
| Committed | 6 | 6 | 6 | - | - | - | - | - | - | - |
| Assigned | 8,370 | 7,069 | 5,309 | 18,824 | 17,613 | 20,314 | 32,760 | 50,184 | 106,181 | 121,165 |
| Unassigned | 126,889 | 123,980 | 115,198 | 124,485 | 115,390 | 125,317 | 161,943 | 124,788 | 57,450 | 20,086 |
| Total General Fund | $ 137,896 | $ 132,909 | $ 121,248 | $ 144,065 | $ 133,782 | $ 146,410 | $ 195,388 | $ 178,718 | $ 169,686 | $ 309,684 |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | $ 2,652 | $ 2,532 | $ 2,654 | $ 2,123 | $ 2,247 | $ 2,788 | $ 3,037 | $ 3,078 | $ 13,512 | $ 3,612 |
| Restricted | 196,343 | 223,656 | 254,943 | 277,259 | 286,342 | 338,500 | 361,106 | 522,706 | 580,364 | 596,197 |
| Committed | 197,322 | 210,498 | 211,145 | 166,648 | 165,135 | 175,495 | 180,739 | 183,911 | 217,026 | 240,672 |
| Assigned | 3,487 | 4,161 | 2,319 | 1,432 | - | 549 | 2,590 | 3,087 | - | - |
| Unassigned | - | - | (1,298) | - | (263) | - | - | - | (3,868) | (335) |
| Total All Other Governmental Funds | $ 399,804 | $ 440,847 | $ 469,763 | $ 447,462 | $ 453,461 | $ 517,332 | $ 547,472 | $ 712,782 | $ 807,034 | $ 840,146 |

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| REVENUES | | | | | | | | | | |
| Taxes | $ 378,631 | $ 394,357 | $ 416,774 | $ 446,331 | $ 463,535 | $ 481,967 | $ 526,971 | $ 558,805 | $ 592,406 | $ 643,012 |
| Licenses and permits | 11,148 | 9,233 | 9,295 | 12,071 | 11,722 | 12,859 | 13,450 | 14,468 | 18,455 | 18,538 |
| Intergovernmental | 95,530 | 101,013 | 102,020 | 112,060 | 115,583 | 177,696 | 225,644 | 206,207 | 274,017 | 266,818 |
| Charges for services | 81,194 | 88,982 | 84,535 | 86,357 | 88,438 | 83,698 | 93,008 | 93,031 | 88,884 | 87,019 |
| Fines and forfeitures | 1,529 | 1,545 | 1,373 | 2,784 | 1,955 | 751 | 1,184 | 2,316 | 1,966 | 6,412 |
| Impact fees | 3,759 | 5,262 | 6,455 | 10,266 | 13,538 | 19,756 | 59,249 | 73,875 | 78,159 | 83,991 |
| Special assessments | 2,261 | 1,241 | 1,174 | 1,053 | 1,113 | 1,178 | 5,093 | 1,388 | 1,424 | 822 |
| Investment earnings [2] | - | - | - | - | - | - | - | (35,324) | 40,778 | 73,164 |
| Miscellaneous | 16,531 | 14,199 | 16,437 | 22,591 | 30,827 | 26,293 | 12,625 | 17,580 | 16,910 | 17,868 |
| Total revenues | 590,583 | 615,832 | 638,063 | 693,513 | 726,711 | 804,198 | 937,224 | 932,346 | 1,112,999 | 1,197,644 |
| EXPENDITURES | | | | | | | | | | |
| Current | | | | | | | | | | |
| General government | 137,077 | 143,421 | 148,668 | 158,679 | 167,210 | 223,367 | 292,222 | 267,699 | 307,264 | 291,474 |
| Public safety | 205,645 | 218,168 | 233,305 | 241,734 | 260,869 | 254,514 | 261,375 | 319,167 | 360,589 | 401,134 |
| Physical environment | 12,184 | 10,770 | 10,858 | 13,747 | 18,340 | 12,645 | 12,571 | 17,995 | 26,888 | 25,096 |
| Transportation | 33,609 | 33,938 | 35,953 | 44,160 | 48,203 | 49,177 | 48,554 | 48,959 | 56,037 | 73,312 |
| Economic environment | 26,619 | 27,672 | 30,432 | 31,580 | 32,513 | 27,109 | 34,397 | 37,317 | 38,616 | 64,159 |
| Human services | 20,052 | 21,055 | 21,200 | 21,908 | 22,809 | 22,982 | 25,126 | 26,842 | 28,324 | 30,733 |
| Culture and recreation | 64,098 | 63,220 | 63,539 | 65,701 | 71,225 | 70,718 | 74,661 | 82,258 | 84,175 | 93,973 |
| Capital outlay | 31,064 | 41,222 | 47,375 | 105,447 | 88,537 | 93,160 | 94,139 | 75,216 | 112,355 | 193,758 |
| Debt service | | | | | | | | | | |
| Principal retirement | 15,766 | 10,823 | 19,680 | 11,211 | 12,726 | 13,119 | 16,986 | 15,300 | 20,009 | 23,767 |
| Interest and fiscal charges | 13,223 | 11,573 | 11,822 | 11,229 | 10,849 | 9,593 | 8,640 | 8,405 | 13,015 | 12,601 |
| Bond issuance costs | 364 | - | - | - | 13 | 651 | 30 | 490 | 170 | - |
| Total expenditures | 559,701 | 581,862 | 622,832 | 705,396 | 733,294 | 777,035 | 868,701 | 899,648 | 1,047,442 | 1,210,007 |
| Excess (deficiencies) of revenues over (under) expenditures | 30,882 | 33,970 | 15,231 | (11,883) | (6,583) | 27,163 | 68,523 | 32,698 | 65,557 | (12,363) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Transfers in | 165,590 | 113,737 | 158,782 | 123,017 | 145,520 | 179,133 | 168,199 | 227,065 | 209,754 | 190,579 |
| Transfers out | (153,267) | (116,820) | (156,758) | (117,174) | (144,063) | (139,575) | (158,420) | (213,254) | (210,142) | (216,763) |
| Insurance recoveries | - | - | - | 5,580 | - | - | - | - | 10,316 | 15,000 |
| Debt issuance | 50,625 | - | 1,284 | 433 | 617 | 75,655 | - | 101,179 | 736 | 177,263 |
| Lease issuance | 383 | 5,169 | - | 543 | 225 | 8,939 | - | 952 | 3,799 | 6,713 |
| SBITA issuance | - | - | - | - | - | - | - | - | 5,200 | 12,681 |
| Bond premium | 8,399 | - | - | - | - | 10,791 | 424 | - | - | - |
| Payments to refunding escrow agent | (56,711) | - | (1,284) | - | - | (85,607) | - | - | - | - |
| Total other financing sources (uses) | 15,019 | 2,086 | 2,024 | 12,399 | 2,299 | 49,336 | 10,203 | 115,942 | 19,663 | 185,473 |
| Net change in fund balances | $ 45,901 | $ 36,056 | $ 17,255 | $ 516 | $ (4,284) | $ 76,499 | $ 78,726 | $ 148,640 | $ 85,220 | $ 173,110 |
| Debt service as a percentage of noncapital expenditures [1] | 5.5% | 4.1% | 5.5% | 3.7% | 3.7% | 3.3% | 3.3% | 2.9% | 3.5% | 3.6% |

[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 | | | | | | |
| 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% |
| 2024 | 98,057,866 | 15,360,525 | 1,194,592 | 5,950,663 | 82,524,087 | 38,039,559 | 4.3030 | 203,988,740 | 59.10% |

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] |
| 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 |
| 2024 | 3.7623 | 0.4714 | 0.0693 | 4.3030 | 0.5212 | 5.4300 | 5.5369 | 2.6929 | 6.6999 | 0.9900 | 0.8173 | 0.7400 | 0.0495-4.7999 |

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)

| | 2024 | | | 2015 | | |
|---|---|---|---|---|---|---|
| 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. | $ 212,146,602 | 1 | 0.161% | $ 97,859 | 3 | 0.177% |
| LNX 1 Properties LLC | 132,536,385 | 2 | 0.101% | | | |
| Jamaica Bay Venture III LLC | 119,972,136 | 3 | 0.091% | | | |
| Coconut Point Developers LLC | 107,873,659 | 4 | 0.082% | 157,614 | 1 | 0.285% |
| Legacy Gateway 60 LLC | 107,017,655 | 5 | 0.081% | | | |
| Upward America Southeast Prop | 95,670,267 | 6 | 0.073% | | | |
| TP2-Land-Sub LLC | 94,056,864 | 7 | 0.071% | | | |
| TP1 - FMB LLC | 93,795,720 | 8 | 0.071% | | | |
| Real Sub LLC | 88,985,441 | 9 | 0.068% | | | |
| Six Mile Apartments LLC | 84,280,529 | 10 | 0.063% | | | |
| Miromar Outlet West LLC | | | | 101,017 | 2 | 0.183% |
| Gulf Coast Town Center CMBS | | | | 97,437 | 4 | 0.176% |
| Edison Mall Business Trust | | | | 74,283 | 5 | 0.134% |
| Federal National Mortgage Asoc | | | | 66,318 | 6 | 0.120% |
| Bell Tower Shops LLC | | | | 59,026 | 7 | 0.107% |
| Lennar Homes Inc | | | | 46,821 | 8 | 0.085% |
| Jamaica Bay Associates Ltd | | | | 46,315 | 9 | 0.084% |
| Lofton Island Holdings LLLP | | | | 46,011 | 10 | 0.083% |
| Total | $ 1,136,335,258 | | 0.862% | $ 792,701 | | 1.434% |

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 |
| 2015 | 299,665 | 288,114 | 96.15 | 159 | 288,273 | 96.20 |
| 2016 | 316,672 | 304,630 | 96.20 | (79) | 304,551 | 96.17 |
| 2017 | 336,533 | 323,892 | 96.24 | (346) | 323,546 | 96.14 |
| 2018 | 367,004 | 352,046 | 95.92 | 21 | 352,067 | 95.93 |
| 2019 | 382,202 | 367,536 | 96.16 | 41 | 367,577 | 96.17 |
| 2020 | 407,406 | 391,718 | 96.15 | (173) | 391,545 | 96.11 |
| 2021 | 436,447 | 419,287 | 96.07 | 2 | 419,289 | 96.07 |
| 2022 | 449,067 | 431,313 | 96.05 | (178) | 431,135 | 96.01 |
| 2023 | 512,927 | 506,565 | 98.76 | 1 | 506,566 | 98.76 |
| 2024 | 550,933 | 550,740 | 99.97 | | 550,740 | 99.97 |

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] | Other[6] |
| 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 | - |
| 2024 | - | 99,800 | 111,223 | 42,089 | 253,112 | 0.12% | 0.31 | 26,651 | 16,886 | - | 26,403 | 11,467 | 144,432 |

| | 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[2] |
| 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 |
| 2024 | 431,432 | 24,134 | 63,203 | 108,772 | - | 93,159 | 927 | 391 | 4,829 | 1,205,798 | 2.19% | 1.46 |

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.

(6) The County received a Hurricane Legislative Appropriation Program (LAP) Loan in fiscal year 2024 for Hurricane related expenditures.

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 | | | | | | Port Authority Line of Credit | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Passenger Facility Charge Revenues | Less: Operating Expenses[1] | Net Available Revenues | Debt Service Principal | Debt Service Interest | Coverage | Page Field General Aviation Airport Revenues | Less: Operating Expenses[1] | Net Available Revenue | Debt Service Principal | Debt Service Interest | Coverage |
| 2015 | 16,251 | n/a | 16,251 | 6,540 [5] | 21 | 2.48 | 11,605 [6] | 8,875 | 2,730 | 3,042 [6] | 4 | 0.90 |
| 2016 | - | n/a | - | - | - | 0.00 | - | - | - | - | - | 0.00 |
| 2017 | - | n/a | - | - | - | 0.00 | - | - | - | - | - | 0.00 |
| 2018 | - | n/a | - | - | - | 0.00 | - | - | - | - | - | 0.00 |
| 2019 | - | n/a | - | - | - | 0.00 | - | - | - | - | - | 0.00 |
| 2020 | - | n/a | - | - | - | 0.00 | - | - | - | - | - | 0.00 |
| 2021 | - | n/a | - | - | - | 0.00 | - | - | - | - | - | 0.00 |
| 2022 | - | n/a | - | - | - | 0.00 | - | - | - | - | - | 0.00 |
| 2023 | - | n/a | - | - | - | 0.00 | - | - | - | - | - | 0.00 |
| 2024 | - | n/a | - | - | - | 0.00 | - | - | - | - | - | 0.00 |

| | Port Authority Revenue Bonds | | | | | | Port Authority Subordinate Revolving Credit | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Airport Revenues [3] | Less: Operating Expenses [2] | Net Available Revenues | Debt Service[4] Principal | Debt Service[4] Interest | Coverage | Airport Revenues[3] | Less: Operating Expenses [2] | Net Available Revenue | Debt Service Principal | Debt Service Interest | Coverage |
| 2015 | 92,247 | 55,872 | 36,375 | 9,285 | 15,552 | 1.46 | - | - | - | - | - | 0.00 |
| 2016 | 94,214 | 59,144 | 35,070 | 9,750 | 14,939 | 1.42 | - | - | - | - | - | 0.00 |
| 2017 | 97,948 | 61,666 | 36,282 | 10,230 | 14,456 | 1.47 | - | - | - | - | - | 0.00 |
| 2018 | 102,450 | 63,066 | 39,384 | 10,725 | 13,959 | 1.60 | - | - | - | - | - | 0.00 |
| 2019 | 106,268 | 63,790 | 42,478 | 11,310 | 13,374 | 1.72 | - | - | - | - | - | 0.00 |
| 2020 | 81,728 | 59,559 | 22,169 | 3,340 [7] | 12,694 | 1.38 | 81,728 | 59,559 | 22,169 | - | 7 | 3,167.00 |
| 2021 | 99,617 | 62,004 | 37,613 | 3,580 [7] | 11,177 | 2.55 | 99,617 | 62,004 | 37,613 | - | 102 | 368.75 |
| 2022 | 134,020 | 69,467 | 64,553 | 5,135 | 14,288 | 3.32 | 134,020 | 69,467 | 64,553 | - | 244 | 264.56 |
| 2023 | 148,224 | 76,654 | 71,570 | 14,750 | 14,405 | 2.45 | 148,224 | 76,654 | 71,570 | - | - | 0.00 |
| 2024 | 145,268 | 85,033 | 60,235 | 15,490 | 13,668 | 2.07 | 145,268 | 85,033 | 60,235 | - | 54 | 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)

Check for reports for 2021B no additional info needed for FY21

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 |
| 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 | 119,722 | 73,427 | 46,295 | 8,485 | 6,682 | 3.05 | 44,608 | 12,391 | 32,217 | 5,560 | 4,245 | 3.29 |
| 2021 | 118,052 | 67,673 | 50,379 | 10,390 | 4,759 | 3.33 | 43,708 | 12,137 | 31,571 | 5,835 | 3,960 | 3.22 |
| 2022 | 119,482 | 85,119 | 34,363 | 14,766 | 4,577 | 1.78 | 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 |
| 2024 | 131,904 | 99,383 | 32,521 | 17,882 | 5,305 | 1.40 | 61,395 | 20,959 | 40,436 | 6,880 | 3,015 | 4.09 |

| | 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[5] | Less: Operating Expenses[2,4] | Net Available Revenue | Debt Service[6] Principal | Debt Service[6] Interest | Coverage |
| 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 [7] | 5.76 |
| 2017 | 114,504 | 59,098 | 55,406 | 3,065 | 12,687 | 3.52 | 86,894 | 70,643 [8] | 16,251 | 5,235 | 3,300 | 1.90 [8] |
| 2018 | 116,742 | 69,792 | 46,950 | 2,918 | 1,055 | 11.82 | 97,785 | 75,887 [8] | 21,898 | 5,495 | 3,046 | 2.56 [8] |
| 2019 | 121,648 | 74,626 | 47,022 | 3,640 | 1,103 | 9.91 | 100,446 [8] | 81,664 [8] | 18,782 | 5,775 | 2,772 | 2.20 [8] |
| 2020 | 119,722 | 73,427 | 46,295 | 4,918 | 1,250 | 7.51 | 96,887 [8] | 83,105 [8] | 13,782 | 6,075 | 2,483 | 1.61 [8] |
| 2021 | 118,052 | 67,673 | 50,379 | 4,864 | 1,187 | 8.33 | 111,571 | 84,884 | 26,687 | 6,385 | 2,179 | 3.12 |
| 2022 | 145,268 | 85,033 | 60,235 | 2,444 | 13,668 | 3.74 | 132,666 | 95,065 | 37,601 | 6,715 | 54 | 5.56 |
| 2023 | 120,453 | 96,640 | 23,813 | 2,470 | 381 | 8.35 | 151,414 [9] | 118,183 [9] | 33,231 | 7,065 | 1,524 | 3.87 [9] |
| 2024 | 131,904 | 99,383 | 32,521 | 2,494 | 356 | 11.41 | 154,700 [10] | 130,903 [10] | 23,797 | 7,425 | 1,171 | 2.77 [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] As defined by bond resolutions - Generally, all revenues generated from the operation of the Waste - to - Energy Facility, the landfill, and the collection services.

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

[7] 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.

[8] 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.

[9] 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).

[10] Operating Expenses exclude non-recurring Hurricane related expenses and revenues exclude FEMA reimbursements for Hurricane Ian. Adjusted for Hurricane Ian expenses and FEMA reimbursements.

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] |
| 2015 | 665,845 | 29,245,506 | 48,453 [7] | 46.2 [6] | 92,780 | 5.1 | 5.2 | 5.1 [4] |
| 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 | 97,264 | 2.6 | 2.5 | 3.5 |
| 2023 | 800,989 | 52,281,287 | 63,568 | 45.6 | 99,354 | 3.2 | 2.8 | 3.8 |
| 2024 | 827,016 | 54,979,729 | 65,878 | 49.1 | 101,369 | 3.6 | 3.3 | 4.1 |

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 - Impact Report
[4] Regional Economic Research Institute, Lutgert College of Business, Florida Gulf Coast University
[5] U.S. Bureau of Labor Statistics
[6] edr.state.fl.us
[7] bestplaces.net

Lee County, Florida
SCHEDULE 12
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

| | 2024 | | | 2015 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total County Employment | Employees | Rank | Percentage of Total County Employment |
| Lee Health | 14,000 | 1 | 3.82% | 10,900 | 1 | 3.52% |
| Lee County School District | 12,000 | 2 | 3.28% | 10,600 | 2 | 3.43% |
| Lee County Local Government Entities | 9,553 | 3 | 2.61% | | | |
| Publix Super Market [1] | 5,726 | 4 | 1.56% | 5,007 | 3 | 1.62% |
| Chico's FAS Inc. | 3,938 | 5 | 1.08% | 1,642 | 8 | 0.53% |
| Herc Rentals | 2,400 | 6 | 0.66% | | | |
| Amazon | 2,200 | 7 | 0.60% | | | |
| Gartner, Inc. | 2,100 | 8 | 0.57% | | | |
| Florida Gulf Coast University | 1,778 | 9 | 0.49% | | | |
| Shell Point Retirement Community | 1,546 | 10 | 0.42% | | | |
| Walmart | | | | 2,507 | 5 | 0.81% |
| Home Depot | | | | 1,783 | 6 | 0.58% |
| U.S. Postal Service | | | | 1,477 | 10 | 0.48% |
| Lee County Administration | | | | 2,584 | 4 | 0.84% |
| City of Cape Coral | | | | 1,654 | 7 | 0.53% |
| Lee County Sheriff's Office | | | | 1,585 | 9 | 0.51% |
| Total | 55,241 | | 15.09% | 39,739 | | 12.84% |

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 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental activities: | | | | | | | | | | |
| General government | 1,288 | 1,281 | 1,270 | 1,304 | 1,303 | 1,310 | 1,276 | 1,378 | 1411 | 1,443 |
| Public safety | 1,914 | 1,979 | 1,997 | 2,071 | 2,057 | 2,065 | 2,064 | 2,084 | 2198 | 2,300 |
| Physical environment | 70 | 69 | 68 | 68 | 68 | 69 | 68 | 70 | 73 | 76 |
| Transportation | 205 | 204 | 204 | 209 | 209 | 209 | 208 | 214 | 234 | 247 |
| Economic environment | 66 | 67 | 66 | 66 | 66 | 68 | 52 | 46 | 48 | 48 |
| Human services | 81 | 81 | 83 | 91 | 91 | 95 | 126 | 134 | 148 | 151 |
| Culture and recreation | 504 | 506 | 507 | 529 | 529 | 529 | 529 | 529 | 539 | 538 |
| Business-type activities: | | | | | | | | | | |
| Airport | 352 | 360 | 357 | 352 | 359 | 359 | 361 | 383 | 397 | 405 |
| Water and wastewater | 274 | 275 | 279 | 281 | 281 | 283 | 282 | 296 | 301 | 324 |
| Transit | 267 | 267 | 267 | 268 | 268 | 268 | 268 | 268 | 292 | 291 |
| Transportation facilities | 95 | 94 | 96 | 96 | 96 | 96 | 95 | 78 | 72 | 72 |
| Solid waste | 98 | 105 | 112 | 119 | 119 | 119 | 119 | 128 | 130 | 140 |
| Total | 5,214 | 5,288 | 5,306 | 5,454 | 5,446 | 5,470 | 5,448 | 5,608 | 5,843 | 6,035 |

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 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Community Development | | | | | | | | | | |
| Building permits issued | 45,421 | 34,329 | 32,126 | 47,143 | 38,619 | 40,318 | 58,225 | 48,784 | 85,223 | 56,380 |
| Inspections | 84,505 | 82,004 | 80,532 | 114,483 | 133,232 | 119,126 | 156,844 | 199,713 | 265,677 | 263,199 |
| Public Safety/EMS | | | | | | | | | | |
| E-911 calls processed | 198,072 | 208,238 | 220,799 | 220,159 | 222,236 | 227,274 | 252,261 | 264,520 | 263,524 | 252,489 |
| Sheriff Department | | | | | | | | | | |
| Physical arrests | 10,543 | 12,006 | 10,173 | 15,877 | 10,235 | 6,971 | 5,626 | 7,397 | 10,846 | 11,482 |
| Traffic tickets | 31,977 | 36,251 | 33,680 | 37,960 | 37,650 | 21,184 | 15,879 | 14,193 | 19,476 | 26,923 |
| Natural Resources | | | | | | | | | | |
| Environmental lab tests performed | 109,420 | 115,625 | 136,044 | 154,281 | 156,115 | 157,545 | 161,452 | 149,985 | 104,448 | 125,211 |
| Pollutant storage tanks inspections | 495 | 514 | 520 | 1,009 | 902 | 896 | 397 | 462 | 467 | 321 |
| Solid Waste | | | | | | | | | | |
| Number of business and residential customers [1] | 253,888 | 258,891 | 258,530 | 260,307 | 263,662 | 267,754 | 271,243 | 275,825 | 281,607 | 281,165 |
| Volume of solid waste collection (tons per year) [2] | 507,527 | 552,818 | 571,194 | 586,383 | 579,041 | 582,477 | 631,785 | 655,461 | 727,871 | 639,137 |
| Volume of recycling collection (tons per year) [3] | 76,109 | 79,117 | 78,249 | 84,126 | 83,394 | 86,379 | 88,045 | 85,805 | 84,545 | 86,048 |
| Megawatt hours of electricity sold | 329,285 | 333,549 | 320,919 | 346,086 | 343,088 | 320,397 | 286,350 | 315,897 | 244,660 | 211,635 |
| Water and Wastewater | | | | | | | | | | |
| Water customers | 83,989 | 85,020 | 86,176 | 87,675 | 89,110 | 90,869 | 93,546 | 96,018 | 98,510 | 101,222 |
| Wastewater customers | 61,410 | 62,294 | 63,197 | 64,583 | 65,867 | 67,606 | 69,992 | 71,897 | 73,612 | 75,120 |
| Meter installations | 807 | 1,031 | 1,156 | 1,499 | 1,619 | 1,758 | 2,678 | 2,472 | 2,492 | 27,012 |
| Department of Transportation | | | | | | | | | | |
| Number of signal and flasher locations maintained | 523 | 530 | 540 | 581 | 616 | 626 | 704 | 723 | 761 | 882 |
| Number of streetlights maintained | 5,104 | 5,090 | 5,142 | 5,202 | 5,429 | 5,429 | 5,871 | 6,297 | 6,297 | 6,396 |
| Number of driveway and ROW permits issued | 1,031 | 1,147 | 1,353 | 1,569 | 1,996 | 2,249 | 2,842 | 4,116 | 3,686 | 5,805 |
| Asphalt road resurfacing (in thousands of tons) | 34 | 41 | 33 | 86 | 52 | 117 | 146 | 56 | 60 | 141 |
| Bridges | | | | | | | | | | |
| Toll paying traffic per year | | | | | | | | | | |
| Sanibel | 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 | 2,770,424 |
| Midpoint Memorial | 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 | 9,523,334 |
| Cape Coral | 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 | 8,765,622 |
| Transit | | | | | | | | | | |
| Number of bus passenger trips | 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 | 1,820,247 |
| Number of bus route miles | 551 | 538 | 542 | 542 | 543 | 543 | 544 | 545 | 538 | 513 |
| Port Authority | | | | | | | | | | |
| Number of enplanements | 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 | 5,584,257 |
| Number of deplanements | 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 | 5,530,871 |
| Human Services | | | | | | | | | | |
| Number of emergency services provided with General Fund County Service dollars (mortgage, rent, utilities, etc.) | 390 | 327 | 660 | 642 | 691 | 626 | 301 | 446 | 332 | 279 |
| Animal Services | | | | | | | | | | |
| Officer responses | 15,029 | 15,409 | 15,406 | 15,186 | 15,406 | 11,735 | 11,648 | 12,697 | 10,989 | 11,324 |
| Animal placement | 5,089 | 5,379 | 5,012 | 4,642 | 5,012 | 5,057 | 5,949 | 6,713 | 6,449 | 5,950 |
| Library | | | | | | | | | | |
| Cardholders | 289,398 | 285,300 | 283,326 | 275,705 | 276,106 | 263,799 | 246,058 | 263,309 | 268,415 | 288,263 |
| Items available for circulation | 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 | 2,977,740 |
| Total circulation | 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 | 4,812,989 |
| Parks and Recreation | | | | | | | | | | |
| Number of public parks maintained [4] | 67 | 68 | 69 | 69 | 69 | 70 | 70 | 70 | 148 | 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)

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental Activities | | | | | | | | | | |
| General government | 10,739 | 11,087 | 11,262 | 11,622 | 11,863 | 10,545 | 11,485 | 11,711 | 11,704 | 11,143 |
| Public safety | 10,072 | 10,783 | 10,633 | 10,912 | 11,133 | 13,041 | 11,554 | 11,927 | 11,774 | 11,233 |
| Physical environment | 538 | 519 | 517 | 524 | 538 | 502 | 867 | 936 | 965 | 938 |
| Transportation | 3,903 | 3,939 | 3,954 | 3,977 | 4,034 | 3,864 | 5,111 | 5,569 | 5,805 | 5,889 |
| Economic environment | 252 | 270 | 276 | 280 | 288 | 243 | 269 | 279 | 278 | 248 |
| Human services | 589 | 568 | 532 | 557 | 553 | 588 | 643 | 717 | 734 | 770 |
| Culture and recreation | 4,890 | 4,965 | 5,056 | 5,115 | 5,358 | 4,966 | 5,016 | 5,085 | 5,115 | 5,310 |
| | 30,983 | 32,131 | 32,230 | 32,987 | 33,767 | 33,749 | 34,945 | 36,224 | 36,375 | 35,531 |
| Business-type Activities | | | | | | | | | | |
| Port Authority | 2,961 | 3,184 | 3,338 | 3,494 | 3,623 | 4,212 | 3,505 | 3,555 | 3,653 | 3,750 |
| Water and Wastewater | 19,013 | 19,993 | 20,673 | 21,887 | 22,459 | 23,280 | 23,907 | 24,314 | 24,845 | 24,891 |
| Transportation Facilities | 1,235 | 1,251 | 1,315 | 1,380 | 1,334 | 1,321 | 1,308 | 1,314 | 1,307 | 1,319 |
| Solid Waste | 697 | 709 | 729 | 765 | 806 | 822 | 822 | 823 | 859 | 865 |
| Transit | 1,018 | 1,046 | 1,039 | 1,062 | 1,050 | 1,167 | 965 | 991 | 970 | 983 |
| | 24,924 | 26,183 | 27,094 | 28,588 | 29,272 | 30,802 | 30,507 | 30,997 | 31,634 | 31,808 |

Source: Lee County Clerk of Courts Finance Department and the Lee County Sheriff's Office




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# OTHER SUPPLEMENTAL *Information*



*Photo Credit: Amanda Jaye*

Lee County, Florida
SUPPLEMENTAL SCHEDULES
TOURIST DEVELOPMENT TAX REVENUE BONDS
September 30, 2024
(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 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Tourist Development Tax Revenues (debt portion) | $ 37,990 | $ 52,822 | $ 66,843 | $ 36,711 | $ 44,261 |
| Gross Revenues[1] | 1,180 | 1,180 | 1,195 | 1,195 | 1,195 |
| State Funds | 500 | 500 | 500 | 500 | 500 |
| Total Pledged Funds[2][3] | $ 39,670 | $ 54,502 | $ 68,538 | $ 38,406 | $ 45,956 |
| Maximum Annual Debt Service Payable from Pledged Funds | 8,480 | 8,480 | 8,480 | 8,480 | 8,480 |
| Debt Service Coverage | 4.68x | 6.43x | 8.08x | 4.53x | 5.42x |

[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.

Source: Lee County Clerk of Courts Finance Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
TOURIST DEVELOPMENT TAX REVENUE BONDS
September 30, 2024
(unaudited)

## Statement of Historical Collections and Distributions of the General Sales and Use Tax
## Fiscal Years Ended June 30, 2016 through June 30, 2025[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 |
|---|---|---|---|---|---|---|---|---|
| 2024-25 [1] | $ 40,306,700,000 | $ 36,120,300,000 | $ 4,097,800,000 | $ - | $ 27,700,000 | $ 23,800,000 | $ 34,300,000 | $ 2,800,000 |
| 2023-24 | 41,084,806,780 | 36,014,016,258 | 4,169,721,450 | 810,000,000 | 27,683,996 | 25,666,706 | 34,876,578 | 2,841,792 |
| 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 | 34,039,683,116 | 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 |

[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, 2024
(unaudited)

Historical Major Sources of Non-Ad Valorem Revenues [1]
(dollars in thousands)

| Fiscal Year Ended September 30 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| **Taxes:** | | | | | |
| Local communications services tax | $ 6,894 | $ 6,540 | $ 6,721 | $ 6,822 | $ 6,688 |
| FPL electrical franchise fees | 11,834 | 12,456 | 14,957 | 16,742 | 16,345 |
| LCEC electrical franchise fees | 6,342 | 6,318 | 7,748 | 9,195 | 8,895 |
| **Intergovernmental Revenues:** | | | | | |
| State revenue sharing | 17,203 | 20,096 | 26,056 | 28,250 | 27,309 |
| Local half cent sales tax | 50,011 | 60,302 | 71,262 | 73,923 | 70,933 |
| Mobile home/insurance/alcohol beverage licenses | 894 | 877 | 900 | 821 | 884 |
| Racing tax | 223 | 223 | 223 | 223 | 223 |
| **Charges for Services:** | | | | | |
| Ambulance service receipts | 20,478 | 23,108 | 22,994 | 21,588 | 12,692 |
| Excess county officer fees | 9,537 | 10,607 | 7,526 | 6,417 | 7,628 |
| **Licenses and Permits:** | | | | | |
| Occupational licenses | 722 | 714 | 790 | 864 | 825 |
| **Miscellaneous:** | | | | | |
| Investment earnings [2] | 2,733 | 824 | 2,696 | 10,523 | 10,296 |
| **Total** | $ 126,871 | $ 142,065 | $ 161,873 | $ 175,368 | $ 162,718 |

[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, 2024
(unaudited)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TOTAL GOVERNMENTAL FUNDS
(dollars in thousands)

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Taxes | $ 481,967 | $ 526,971 | $ 558,805 | $ 592,406 | $ 643,012 |
| Licenses and permits | 12,859 | 13,450 | 14,468 | 18,455 | 18,538 |
| Intergovernmental | 177,696 | 225,644 | 206,207 | 274,017 | 266,818 |
| Charges for services | 83,698 | 93,008 | 93,031 | 88,884 | 87,019 |
| Fines and forfeitures | 751 | 1,184 | 2,316 | 1,966 | 6,412 |
| Impact fees | 19,756 | 59,249 | 73,875 | 78,159 | 83,991 |
| Special assessments | 1,178 | 5,093 | 1,388 | 1,424 | 822 |
| Investment earnings | | | (35,324) | 40,778 | 73,164 |
| Miscellaneous | 26,293 | 12,625 | 17,580 | 16,910 | 17,868 |
| Total revenues | 804,198 | 937,224 | 932,346 | 1,112,999 | 1,197,644 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General government | 223,367 | 292,222 | 267,700 | 307,264 | 291,474 |
| Public safety | 254,514 | 261,375 | 319,167 | 360,589 | 401,134 |
| Physical environment | 12,645 | 12,571 | 17,995 | 26,888 | 25,096 |
| Transportation | 49,177 | 48,554 | 48,959 | 56,037 | 73,312 |
| Economic environment | 27,109 | 34,397 | 37,317 | 38,616 | 64,159 |
| Human services | 22,982 | 25,126 | 26,842 | 28,324 | 30,733 |
| Culture and recreation | 70,718 | 74,661 | 82,258 | 84,175 | 93,973 |
| Capital outlay | | | | | |
| General government | 19,872 | 18,470 | 13,658 | 24,687 | 66,314 |
| Public safety | 23,362 | 13,422 | 13,487 | 26,942 | 31,276 |
| Physical environment | 2,269 | 2,945 | 6,121 | 1,161 | 1,604 |
| Transportation | 44,151 | 54,270 | 31,551 | 48,041 | 85,296 |
| Economic environment | 63 | 296 | 1,142 | 49 | 310 |
| Human services | 74 | 27 | 62 | 8 | 124 |
| Culture and recreation | 3,369 | 4,709 | 9,195 | 11,467 | 8,834 |
| Debt service | | | | | |
| Principal retirement | 13,119 | 16,986 | 15,300 | 20,009 | 23,767 |
| Interest and fiscal charges | 9,593 | 8,640 | 8,404 | 13,015 | 12,601 |
| Bond issuance costs | 651 | 30 | 490 | 170 | - |
| Total expenditures | 777,035 | 868,701 | 899,648 | 1,047,442 | 1,210,007 |
| Excess (deficiencies) of revenues over (under) expenditures | 27,163 | 68,523 | 32,698 | 65,557 | (12,363) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | 179,133 | 168,199 | 227,065 | 209,754 | 190,579 |
| Transfers out | (139,575) | (158,420) | (213,254) | (210,142) | (216,763) |
| Insurance recoveries | - | - | - | 10,316 | 15,000 |
| Lease issuance | 8,939 | - | 952 | 3,799 | 6,713 |
| SBITA issuance | - | - | - | 5,200 | 12,681 |
| Bond premium | 10,791 | - | - | - | - |
| Debt issuance | 450 | 424 | 101,179 | 736 | 177,263 |
| Issuance of refunding debt | 75,205 | - | - | - | - |
| Payments to refunded bonds escrow agent | (85,607) | - | - | - | - |
| Total other financing sources and (uses) | 49,336 | 10,203 | 115,942 | 19,663 | 185,473 |
| Net change in fund balances | 76,499 | 78,726 | 148,640 | 85,220 | 173,110 |
| Fund balances - beginning | 587,243 | 664,134 * | 742,860 | 891,500 | 976,720 |
| Fund balances - ending | $ 663,742 | $ 742,860 | $ 891,500 | $ 976,720 | $ 1,149,830 |

* The 2021 beginning fund balance is $392 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, 2024
(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 |
|---|---|---|---|---|
| 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% |
| 2024 | 8,824 | -4.5% | 12,209 | -3.9% |

## 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 |
| 2024 | 21,033 | 10,757 | 1.96 |

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 | $ 10.67 | per unit | 0 - 6,000 | $ 3.81 |
| | | | 6,001 - 12,000 | 4.77 |
| | | | 12,001 - 18,000 | 5.73 |
| | | | Above 18,000 | 7.63 |
| Multi – family | $ 8.54 | per unit / lot | 0 - 4,800 | $ 3.81 |
| Per ERU | | | 4,801 - 9,600 | 4.77 |
| (i.e. 2 units = 9,600 Gal) | | | 9,601 - 14,400 | 5.73 |
| | | | Above 14,400 | 7.63 |
| Recreational vehicle | $ 4.27 | per unit / lot | 0 - 2,400 | $ 3.81 |
| (i.e. 2 units = 9,600 Gal) | | | 2,401 - 4,800 | 4.77 |
| | | | 4,801 - 7,200 | 5.73 |
| | | | Above 7,200 | 7.63 |
| Mobile Home | $ 8.54 | per unit / lot | 0 - 4,800 | $ 3.81 |
| | | | 4,801 - 9,600 | 4.77 |
| | | | 9,601 - 14,400 | 5.73 |
| | | | Above 14,400 | 7.63 |

Each residential service account will be charged a monthly administrative fee of $4.01 per statement.

An additional wellfield development surcharge of $0.58 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" | $ 14.68 | 1.0 | 0 - 6,000 | $ 3.81 |
| 3/4" | 20.02 | 1.5 | 6,001 - 12,000 | 4.77 |
| 1" | 30.69 | 2.5 | 12,001 - 18,000 | 5.73 |
| 1½" | 57.36 | 5.0 | Above 18,000 | 7.63 |
| 2" | 89.37 | 8.0 | | |
| 3" | 174.73 | 16.0 | Non-irrigation class | |
| 4" | 270.76 | 25.0 | Per 1,000 | 4.01 |
| 6" | 537.51 | 50.0 | | |
| 8" | 857.61 | 80.0 | Irrigation class | |
| 10" | 1,551.16 | 145.0 | 0 - 6,000 | 4.77 |
| | | | 6,001 - 12,000 | 5.73 |
| | | | Above 12,000 | 7.63 |

An additional well field development surcharge of $0.58 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, 2024
(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 | $ 19.85 | $ 6.82 | $ 30.71 |
| Multi – family | 15.88 | 6.82 | 24.57 |
| Recreational vehicle | 7.94 | 6.82 | 12.28 |
| Mobile Home | 15.88 | 6.82 | 24.57 |

Each residential service account shall be charged a monthly administrative charge of $4.00 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" | $ 23.85 | $ 6.82 |
| 3/4" | 33.78 | 6.82 |
| 1" | 53.63 | 6.82 |
| 1½" | 103.25 | 6.82 |
| 2" | 162.80 | 6.82 |
| 3" | 321.60 | 6.82 |
| 4" | 500.25 | 6.82 |
| 6" | 996.50 | 6.82 |
| 8" | 1,592.00 | 6.82 |
| 10" | 2,882.25 | 6.82 |

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, 2024
(unaudited)

Historical Revenues, Expenses, and Debt Service Coverage
(dollars in thousands)

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Gross Revenues [1] | | | | | |
| Water User Fees [2] | $ 53,485 | $ 53,283 | $ 53,859 | $ 54,698 | $ 58,550 |
| Wastewater User Fees | 61,208 | 61,641 | 61,882 | 59,467 | 66,610 |
| Rentals and Franchise Fees | 212 | 228 | 180 | 190 | 217 |
| Miscellaneous Revenues [3] | 1,749 | 2,031 | 1,990 | 1,953 | 2,153 |
| Investment Earnings [4] | 2,846 | 628 | 1,352 | 3,903 | 4,147 |
| Other Revenue Adjustments: | | | | | |
| Gateway Debt Service Contribution [5] | 172 | 172 | 172 | 172 | 172 |
| Total Gross Revenues | $ 119,672 | $ 117,983 | $ 119,435 | $ 120,383 | $ 131,849 |
| Operating expenses[6] | | | | | |
| Salaries and Wages | $ 16,684 | $ 16,958 | $ 19,648 | $ 22,949 | $ 24,508 |
| Employee Benefits | 7,954 | 8,726 | 9,568 | 10,546 | 11,481 |
| Contract services, materials and supplies | 31,755 | 25,220 | 27,654 | 40,907 | 38,722 |
| Utilities | 6,061 | 6,040 | 7,132 | 7,845 | 7,616 |
| Repairs and maintenance | 5,930 | 5,984 | 7,479 | 8,294 | 10,701 |
| Insurance | 831 | 831 | 1,135 | 1,429 | 1,608 |
| Other | 2,102 | 1,736 | 10,392 | 2,206 | 2,120 |
| Indirect Cost | 2,067 | 2,139 | 2,071 | 2,425 | 2,582 |
| Administrative Fees | 43 | 39 | 40 | 39 | 45 |
| Total Operating Expenses | $ 73,427 | $ 67,673 | $ 85,119 | $ 96,640 | $ 99,383 |
| Pledged Funds | | | | | |
| Net Revenues | $ 46,245 | $ 50,310 | $ 34,316 | $ 23,743 | $ 32,466 |
| Special Assessment Proceeds | 50 | 69 | 47 | 70 | 55 |
| Connection Fees [7] | 13,687 | 16,836 | 20,211 | 20,870 | 19,385 |
| Total | $ 59,982 | $ 67,215 | $ 54,574 | $ 44,683 | $ 51,906 |
| Annual Debt Service - Outstanding Bonds [8] | | | | | |
| Series 2011 Bonds | $ 6,633 | $ 5,754 | $ 5,672 | $ 5,648 | $ - |
| Series 2012A Bonds | 719 | - | - | - | - |
| Series 2012B Bonds | 269 | - | - | - | - |
| Series 2013A Bonds | 2,864 | 1,401 | 1,399 | 1,399 | 1,395 |
| Series 2013B Bonds | 3,940 | 3,943 | 3,934 | 3,938 | 3,930 |
| Series 2019 Bonds | 742 | 4,050 | 4,149 | 4,149 | 9,887 |
| Series 2021A Bonds | - | - | 1,550 | 1,551 | 1,551 |
| Series 2021B Bonds | - | - | 2,639 | 2,638 | 2,639 |
| Series 2023 Bonds | - | - | - | - | 3,785 |
| Annual Debt Service | $ 15,167 | $ 15,148 | $ 19,343 | $ 19,323 | $ 23,187 |
| Rate Covenant Compliance | | | | | |
| Test A - Net Revenues and Special Assessments Proceeds | $ 46,295 | $ 50,379 | $ 34,363 | $ 23,813 | $ 32,521 |
| Annual Debt Service | 15,167 | 15,148 | 19,343 | 19,323 | 23,187 |
| Calculated Coverage | 305.24% | 332.58% | 177.65% | 123.24% | 140.26% |
| Required Coverage | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| Test B - Net Revenues, Special Assessments Proceeds and Connection Fees | $ 59,982 | $ 67,215 | $ 54,574 | $ 44,683 | $ 51,906 |
| Annual Debt Service | 15,167 | 15,148 | 19,343 | 19,323 | 23,187 |
| Calculated Coverage | 395.48% | 443.72% | 282.14% | 231.24% | 223.86% |
| Required Coverage | 120.00% | 120.00% | 120.00% | 120.00% | 120.00% |
| State Revolving Fund Loan Compliance | | | | | |
| Pledged Revenues: | | | | | |
| Gross Revenues | $ 119,672 | $ 117,983 | $ 119,435 | $ 120,383 | $ 131,849 |
| Less Operating Expenses | (73,427) | (67,673) | (85,119) | (96,640) | (99,383) |
| Less Senior Revenue Obligations Debt Service | (15,167) | (15,148) | (19,343) | (19,323) | (23,187) |
| Net Amount Available for SRF Debt Coverage | $ 31,078 | $ 35,162 | $ 14,973 | $ 4,420 | $ 9,279 |

(continued)

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEMS
September 30, 2024
(unaudited)

Historical Revenues, Expenses, and Debt Service Coverage
(dollars in thousands)

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Outstanding SRF Loan Debt Service | | | | | |
| SRF Loan 2005 DW3610010 | $ 1,717 | $ 935 | $ - | $ - | $ - |
| SRF Loan 2009 WW392330 | 2,256 | 2,265 | - | - | - |
| SRF Loan 2015 WW360200 | 1,540 | 1,540 | 1,540 | 1,540 | 1,540 |
| SRF Loan 2017 DW3602A0 | 655 | 1,311 | 1,311 | 1,311 | 1,311 |
| Total | $ 6,168 | $ 6,051 | $ 2,851 | $ 2,851 | $ 2,851 |
| Calculated Coverage | 503.86% | 581.09% | 525.18% | 155.03% | 325.46% |
| Required Coverage | 115.00% | 115.00% | 115.00% | 115.00% | 115.00% |
| Other Required Transfers from Net Revenues: | | | | | |
| Renewal and Replacement Fund [9] | $ 5,992 | $ 5,975 | $ 5,891 | $ 5,962 | $ 6,012 |
| Subordinated Indebtedness Debt Service | 6,168 | 6,051 | 2,851 | 2,851 | 2,851 |
| Amounts Available for Other System Purposes | $ 18,918 | $ 23,136 | $ 6,231 | $ (4,393) | $ 416 |

(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 |
| 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 |
| 2024 | 97,874 | 7,402,154 | 6302 | 631,563 | 8,033,717 | 10,166,234 | 27.79 |

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 |
| 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 |
| 2024 | 69,329 | 5,855,770 | 7039 | 250,700 | 6,106,470 | 6,197,458 | 16.99 |

Source: Lee County Utilities Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEM
September 30, 2024
(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 | $ 884,486 | 0.71% |
| GCTC HOLDINGS LLC | Commercial | 2" | Water/Sewer | 720,582 | 0.58% |
| LANDINGS ENV WRM ASSN INC | Multi-Family | 6" | Water/Sewer | 702,276 | 0.56% |
| HEALTH PARK MEDICAL CENTER | Commercial | 6" | Water/Sewer | 567,380 | 0.45% |
| FLORIDA SOUTHWESTERN STATE COLLEGE | Commercial | 6" | Water/Sewer | 392,375 | 0.31% |
| JAMAICA BAY - VENTURE III LLC | Multi-Family | 8" | Water | 390,221 | 0.31% |
| PREMIER LINEN SERVICES | Commercial | 4" | Water/Sewer | 387,941 | 0.31% |
| KRAFT HEINZ COMPANY | Commercial | 3" | Water/Sewer | 347,740 | 0.28% |
| ISLAND CLUB HOMEOWNERS ASSOC | Multi-Family | 6" | Water/Sewer | 326,322 | 0.26% |
| BAYSIDE ESTATES | Multi-Family | 3" | Water/Sewer | 305,994 | 0.25% |
| | | | | $ 5,025,317 | 4.02% |

Source: Lee County Utilities Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEM
September 30, 2024
(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] | $ 33.73 | $ 57.95 | $ 91.68 |
| Other Neighboring and Florida Utilities: | | | |
| Bonita Springs Utilities, Inc. | $ 33.88 | $ 52.22 | $ 86.10 |
| City of Bradenton | 33.45 | 41.90 | 75.35 |
| Charlotte County | 62.39 | 75.77 | 138.16 |
| City of Cape Coral | 42.64 | 78.80 | 121.44 |
| Collier County | 52.68 | 84.06 | 136.74 |
| DeSoto County | 59.71 | 55.30 | 115.01 |
| Englewood Water District | 35.41 | 52.92 | 88.33 |
| FGUA - Lehigh Acres (Lee County) | 50.87 | 82.10 | 132.97 |
| FGUA - Lake Fairway / Pine Lakes Service Area (Lee County) | 65.44 | 71.22 | 136.66 |
| FGUA - North Fort Myers Service Area (3) | 33.73 | 76.78 | 110.51 |
| City of Fort Myers | 42.09 | 95.29 | 137.38 |
| Hillsborough County | 38.80 | 52.84 | 91.64 |
| Manatee County | 25.93 | 59.44 | 85.37 |
| City of Marco Island | 58.41 | 58.27 | 116.68 |
| City of Naples | 18.76 | 49.57 | 68.33 |
| City of North Port | 59.78 | 79.53 | 139.31 |
| Okeechobee Utility Authority | 55.71 | 70.24 | 125.95 |
| Pinellas County | 33.96 | 60.05 | 94.01 |
| City of Punta Gorda | 37.71 | 42.56 | 80.27 |
| Sarasota County | 37.47 | 80.43 | 117.90 |
| Other Florida Utilities Average | $ 43.94 | $ 65.96 | $ 109.91 |

[1] Unless otherwise noted, amounts shown reflect residential rates in effect October 2024 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 | 1,183 | 1,545 | 2,728 |
| City of Sarasota | 900 | 2,577 | 3,477 |
| City of Naples | 1,416 | 2,324 | 3,740 |
| City of Fort Myers | 3,278 | 3,435 | 6,713 |
| 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 | 2,789 | 2,634 | 5,423 |
| Collier County | 4,411 | 4,081 | 8,492 |
| 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 | $ 2,313 | $ 3,029 | $ 5,342 |

[1] Unless otherwise noted, amounts shown reflect fees in effect October 2024 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, 2024
(Unaudited)

**System Historical Operating Results and Indenture Rate Covenant Compliance**

| Description | Fiscal Year 2020[7] | | Fiscal Year 2021 | Fiscal Year 2022 | Fiscal Year 2023[8] | | Fiscal Year 2024[8] | |
|---|---|---|---|---|---|---|---|---|
| | Excludes Hurricane Irma Related Expenses | Includes Hurricane Irma Expenses | | | Excludes Hurricane Ian Related Expenses | Includes Hurricane Ian Expenses | Excludes Hurricane Ian Related Expenses | Includes Hurricane Ian Expenses |
| Collection Assessment Revenues | $25,912,110 | $25,912,110 | $26,420,303 | $26,976,762 | $35,336,038 | $35,336,038 | $37,211,786 | $37,211,786 |
| Assessment, MSTU, and Tip Fee Revenues | 56,415,882 | 56,415,882 | 65,289,466 | 70,578,998 | 88,236,971 | 88,236,971 | 86,829,030 | 86,829,030 |
| WTE Facility - Gross Electric Sales [1] | 6,092,684 | 6,092,684 | 9,000,401 | 21,999,858 | 11,005,079 | 11,005,079 | 7,858,341 | 7,858,341 |
| Recycling Revenues | 894,594 | 894,594 | 1,542,869 | 2,736,385 | 4,722,350 | 4,722,350 | 6,542,049 | 6,542,049 |
| Other Miscellaneous Revenue [2] | 7,571,966 | 37,674,989 | 9,317,841 | 10,373,958 | 12,113,488 | 44,913,254 | 16,570,603 | 133,023,633 |
| Rate Stabilization Fund Transfers | - | - | - | - | - | - | - | - |
| Gross Revenues | 96,887,236 | 126,990,259 | 111,570,880 | 132,665,961 | 151,413,927 | 184,213,693 | 155,011,808 | 271,464,838 |
| Less Operating Expenses [3] | 83,104,525 | 83,104,525 | 84,883,473 | 95,064,834 | 118,183,073 | 266,159,803 | 129,611,416 | 131,364,951 |
| Net Revenues | 13,782,711 | 43,885,734 | 26,687,407 | 37,601,127 | 33,230,854 | (81,946,110) | 25,400,392 | 140,099,887 |
| Net Position[4] | 16,937,243 | 16,937,243 | 37,295,296 | 21,051,042 | 6,240,768 | 6,240,768 | 4,748,701 | 4,748,701 |
| Net Revenues and Net Position | $30,719,954 | $60,822,977 | $63,982,703 | $58,652,169 | $39,471,621 | ($75,705,343) | $30,149,093 | $144,848,588 |
| Annual Debt Service [5] | | | | | | | | |
| Series 2016 Bonds | $8,557,750 | $8,557,750 | $8,564,000 | $8,574,750 | $8,589,000 | $8,589,000 | $8,595,750 | $8,595,750 |
| Total Annual Debt Service | $8,557,750 | $8,557,750 | $8,564,000 | $8,574,750 | $8,589,000 | $8,589,000 | $8,595,750 | $8,595,750 |
| Rate Covenant Test | | | | | | | | |
| Test A: | | | | | | | | |
| Net Revenues and Net Position | $30,719,954 | $60,822,977 | $63,982,703 | $58,652,169 | $39,471,621 | ($75,705,343) | $30,149,093 | $144,848,588 |
| Annual Debt Service | 8,557,750 | 8,557,750 | 8,564,000 | 8,574,750 | 8,589,000 | 8,589,000 | 8,595,750 | 8,595,750 |
| Annual Debt Service Coverage | 3.59 | 7.11 | 7.47 | 6.84 | 4.60 | (8.81) | 3.51 | 16.85 |
| 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 | $13,782,711 | $43,885,734 | $26,687,407 | $37,601,127 | $33,230,854 | ($81,946,110) | $25,400,392 | $140,099,887 |
| Annual Debt Service | 8,557,750 | 8,557,750 | 8,564,000 | 8,574,750 | 8,589,000 | 8,589,000 | 8,595,750 | 8,595,750 |
| Annual Debt Service Coverage | 1.61 | 5.13 | 3.12 | 4.39 | 3.87 | (9.54) | 2.95 | 16.30 |
| 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 | $5,224,961 | $35,327,984 | $18,123,407 | $29,026,377 | $24,641,854 | ($90,535,110) | $16,804,642 | $131,504,137 |
| Required Deposits [6] | - | - | - | - | - | - | - | - |
| Net After Required Deposits | $5,224,961 | $35,327,984 | $18,123,407 | $29,026,377 | $24,641,854 | ($90,535,110) | $16,804,642 | $131,504,137 |

(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. In FY24, the County received Federal and State reimbursement in the amount of $116,453,030. For year 2024, 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, 2024

(Unaudited)

**Summary of Historical Charges**

| Description | Fiscal Year 2023 | Fiscal Year 2024 | Adopted Fiscal Year 2025 [5] |
|---|---|---|---|
| Assessments: | | | |
| Collection (Avg. Areas 1-5) [1] | $185.79 | $192.09 | $203.62 |
| Residential Credit | - | - | - |
| Disposal MSW | 59.96 | 63.56 | 67.37 |
| Disposal Yard Waste | 6.62 | 7.02 | 7.44 |
| Disposal Facility Assessment Charge | 18.61 | 18.61 | 19.73 |
| Recycling Assessment | 11.05 | 11.05 | 11.74 |
| Billing Fee | 2.45 | 2.45 | 2.45 |
| Early Prepayment Gross Up (4%) (Avg. Areas 1-5) [1] | 11.85 | 12.28 | 12.98 |
| Gross Assessment Average for Areas 1-5 [2] | $296.33 | $307.06 | $325.33 |
| Assessment Paid in February = 1% Discount | $293.37 | $303.99 | $322.08 |
| Assessment Paid in January = 2% Discount | $290.40 | $300.92 | $318.82 |
| Assessment Paid in December = 3% Discount | $287.44 | $297.85 | $315.57 |
| Assessment Paid in November = 4% Discount | $284.48 | $294.78 | $312.32 |
| Tip Fees per Ton by Waste Type: | | | |
| MSW w/o Surcharges | $59.96 | $63.56 | $67.37 |
| MSW w/ Surcharges [3] | 59.96 | 63.56 | 67.37 |
| Horticulture / Yard Waste | 38.58 | 39.97 | 42.37 |
| C&DD | 61.72 | 63.94 | 67.78 |
| Class III | 61.72 | 63.94 | 67.78 |
| Tires | 160.00 | 160.00 | 225.00 |
| Disposal Facility Assessment per Ton [4] | $18.61 | $18.61 | $19.73 |

(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 2025 charges for services on August 6, 2024 pursuant to Resolution 24-08-18.

Source: Lee County Solid Waste Division

Lee County, Florida

SUPPLEMENTAL SCHEDULES

LEE COUNTY SOLID WASTE SYSTEM

September 30, 2024

(Unaudited)

**Summary of Historical Inbound Waste Deliveries (Tons) by Type of Waste [1]**

| | Historical Period | | | | |
|---|---|---|---|---|---|
| **Description** | **2020** | **2021** | **2022** | **2023** | **2024** |
| MSW / Residue [2] | 582,477 | 631,785 | 655,395 | 727,695 | 653,458 |
| C&D / Class III | 164,875 | 141,710 | 148,040 | 329,123 | 194,420 |
| Yard Waste | 121,563 | 127,725 | 120,394 | 122,737 | 134,436 |
| Sludge (Wet Tons) | 65,627 | 72,715 | 68,391 | 64,483 | 73,104 |
| Tires | 6,268 | 8,794 | 8,689 | 16,291 | 9,055 |
| Other [3] | 6,894 | 4,930 | 14,548 | 7,761 | 1,909 |
| Recycling [4] | 86,379 | 88,045 | 85,783 | 84,543 | 85,966 |
| **Total** | **1,034,083** | **1,075,704** | **1,101,240** | **1,352,633** | **1,152,348** |

(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, 2024
(Unaudited)

**Summary of Historical Waste-to-Energy (WTE) Processing Statistics**

| Description | Historical Period 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| 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) | 599,559 | 587,031 | 580,064 | 519,200 | 534,958 |
| Received MSW/Residue (Tons) [3] | 548,088 | 576,969 | 574,509 | 534,579 | 525,544 |
| MSW as % of Processed | 91.4% | 98.3% | 99.0% | 103.0% | 98.2% |
| WTE Production Statistics: | | | | | |
| Generated Ash Residue (Tons) | 153,382 | 139,213 | 128,581 | 129,350 | 117,064 |
| Ash as % of Waste Processed | 25.6% | 23.7% | 22.2% | 24.9% | 21.9% |
| Gross Electricity (MW-hr) | 380,622 | 348,053 | 377,879 | 321,136 | 270,017 |
| Net Electrictiy (MW-hr) [4] | 322,681 | 288,914 | 318,634 | 265,599 | 214,015 |
| Ferrous Recovery (Tons) [5] | 20,755 | 20,366 | 18,986 | 19,557 | 21,079 |
| Non-Ferrous Recovery (Tons) [5] | 2,601 | 2,126 | 2,079 | 1,713 | 2,279 |

(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, 2024
(unaudited)

## *Toll Rates - Sanibel Bridge*

The schedule below reflects the toll structure:

| Vehicle Class | September 30, 2024 |
|---|---|
| 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, 2024 |
|---|---|
| 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, 2024
(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 |
| 2024 [3] | 9,290,012 | 233,322 | 9,523,334 | 9.56% | 16,209 | 2,746 | 13,463 |

### 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 |
| 2024 [3] | 8,611,052 | 154,570 | 8,765,622 | 11.12% | 14,664 | 2,910 | 11,754 |

### 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 |
| 2024 [3] | 2,622,072 | 148,352 | 2,770,424 | 32.23% | 12,906 | 2,576 | 10,330 |

(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, 2024
(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 |
|---|---|---|---|---|---|
| 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 |
| 2024 | 61,624 | 22,627 | 38,997 | 9,895 | 3.94 |

(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.

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Source: Lee County Clerk of Courts Finance Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
September 30, 2024
(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 | |
| American Airlines* | Endeavor Air |
| Avelo Airlines | Envoy Air |
| Breeze Airlines | Mesa Airlines |
| Delta Air Lines * | PSA Airlines |
| JetBlue* | Republic |
| Frontier* | |
| Southwest* | |
| Spirit Airlines* | |
| Sun Country* | |
| United* | |

| International Air Carriers | Air Cargo Carriers |
|---|---|
| Air Canada | Federal Express |
| Eastern Air Express | United Parcel Service |
| Eurowings Discover | |
| Porter Air | |
| WestJet | |

* Denotes Signatory Airline as defined in Airline-Airport Use Agreements as of September 30, 2024.

(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, 2024
(Unaudited)

## Airport Enplanements October 2023 - September 2024

| | Commercial Air Carriers | Regionals/ Affiliates | International Air Carriers | Domestic Charters | Total Enplanements | Total Enplanements for Month in Prior Year | Percentage Change |
|---|---|---|---|---|---|---|---|
| October 2023 | 340,951 | - | 8,423 | - | 349,374 | 200,428 | 74.3% |
| November 2023 | 456,403 | - | 17,218 | - | 473,621 | 404,378 | 17.1% |
| December 2023 | 503,956 | 2,343 | 21,045 | - | 527,344 | 414,702 | 27.2% |
| January 2024 | 538,551 | 2,807 | 23,903 | - | 565,261 | 470,045 | 20.3% |
| February 2024 | 573,299 | 65 | 21,611 | - | 594,975 | 471,473 | 26.2% |
| March 2024 | 718,845 | 1,531 | 29,565 | - | 749,941 | 583,862 | 28.4% |
| April 2024 | 594,087 | 1,712 | 23,291 | - | 619,090 | 528,860 | 17.1% |
| May 2024 | 434,527 | 381 | 6,494 | - | 441,402 | 403,969 | 9.3% |
| June 2024 | 346,646 | - | 6,607 | - | 353,253 | 326,599 | 8.2% |
| July 2024 | 334,340 | - | 6,728 | - | 341,068 | 336,956 | 1.2% |
| August 2024 | 303,266 | - | 7,283 | - | 310,549 | 305,450 | 1.7% |
| September 2024 | 253,881 | - | 4,498 | - | 258,379 | 274,679 | -5.9% |

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 |
|---|---|---|---|---|---|
| 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 | - | 4,721,401 |
| 2024 | 5,398,752 | 8,839 | 176,666 | - | 5,584,257 |
| Compounded Growth | | | | | |
| 2015-2024 | 3.67% | -22.83% | 1.22% | -100.00% | 3.34% |

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2024
(Unaudited)

## HISTORICAL LANDED WEIGHT BY AIRLINE (1000 lbs)

| Airline | FY 2023 Landed Weight | FY 2023 Share | FY 2024 Landed Weight | FY 2024 Share |
|---|---|---|---|---|
| Delta | 1,075,794 | 20.1% | 1,209,890 | 19.9% |
| Southwest | 975,341 | 18.3% | 1,003,741 | 16.4% |
| American | 773,468 | 14.5% | 849,636 | 13.9% |
| United | 719,977 | 13.5% | 843,174 | 13.8% |
| JetBlue | 533,564 | 10.0% | 503,602 | 8.2% |
| Frontier | 267,693 | 5.0% | 430,710 | 7.0% |
| Spirit Airlines | 315,401 | 5.9% | 428,657 | 7.0% |
| International Airlines | 184,522 | 3.5% | 222,150 | 3.6% |
| Breeze Airlines | 36,245 | 0.7% | 171,684 | 2.8% |
| Cargo | 220,004 | 4.1% | 162,075 | 2.6% |
| Sun Country | 133,353 | 2.5% | 161,355 | 2.6% |
| Avelo Airlines | 70,093 | 1.3% | 83,133 | 1.4% |
| Alaska Airlines | 22,002 | 0.4% | 36,537 | 0.6% |
| Envoy | 8,991 | 0.2% | 8,617 | 0.2% |
| Endeavor Air | - | 0.0% | 1,727 | 0.0% |
| PSA Airlines | 979 | 0.0% | 1,202 | 0.0% |
| Republic Airlines | 2,761 | 0.0% | 747 | 0.0% |
| Mesa Airlines | 320 | 0.0% | - | 0.0% |
| Domestic Charters | 242 | 0.0% | - | 0.0% |
| Total | 5,340,749 | 100% | 6,118,637 | 100.0% |

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2024
(Unaudited)

## HISTORICAL ENPLANEMENTS BY AIRLINE

| Airline | FY 2023 Enplanements | FY 2023 Share | FY 2024 Enplanements | FY 2024 Share |
|---|---|---|---|---|
| Delta | 1,020,041 | 21.6% | 1,157,014 | 20.7% |
| Southwest | 862,473 | 18.3% | 950,630 | 17.0% |
| American | 703,414 | 14.9% | 804,816 | 14.4% |
| United | 674,761 | 14.3% | 797,076 | 14.3% |
| JetBlue | 499,406 | 10.6% | 469,724 | 8.4% |
| Frontier | 267,430 | 5.7% | 399,282 | 7.2% |
| Spirit Airlines | 290,267 | 6.1% | 397,113 | 7.1% |
| Sun Country | 139,484 | 3.0% | 178,055 | 3.2% |
| International Airlines | 144,022 | 3.1% | 176,666 | 3.2% |
| Breeze Airlines | 23,301 | 0.5% | 135,069 | 2.4% |
| Avelo Airlines | 68,861 | 1.5% | 77,126 | 1.4% |
| Alaska Airlines | 19,942 | 0.4% | 32,847 | 0.6% |
| Envoy | 5,239 | 0.0% | 5,866 | 0.1% |
| Endeavor Air | - | 0.0% | 1,545 | 0.0% |
| PSA Airlines | 886 | 0.0% | 1,142 | 0.0% |
| Republic Airlines | 1,874 | 0.0% | 286 | 0.0% |
| Mesa Airlines | - | 0.0% | - | 0.0% |
| Domestic Charters | - | 0.0% | - | 0.0% |
| | 4,721,401 | 100% | 5,584,257 | 100.0% |

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2024
(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 2023 | | | | | | | Fiscal Year 2024 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 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 | 577,834 | 6.15% | 1 | Chicago (O'Hare) | ORD | • | 1,120 | 679,629 | 6.11% |
| 2 | Boston | BOS | • | 1,249 | 557,835 | 5.94% | 2 | Minneapolis | MSP | • | 1,416 | 631,317 | 5.68% |
| 3 | Minneapolis | MSP | • | 1,416 | 513,081 | 5.46% | 3 | Detroit | DTW | • | 1,085 | 604,665 | 5.44% |
| 4 | Detroit | DTW | • | 1,085 | 489,684 | 5.21% | 4 | Boston | BOS | • | 1,249 | 598,261 | 5.38% |
| 5 | New York (Newark) | EWR | • | 1,068 | 468,782 | 4.99% | 5 | New York (Newark) | EWR | • | 1,068 | 517,453 | 4.66% |
| 6 | Philadelphia | PHL | • | 992 | 316,292 | 3.37% | 6 | Philadelphia | PHL | • | 992 | 353,767 | 3.18% |
| 7 | Cleveland | CLE | • | 1,037 | 280,800 | 2.99% | 7 | Cleveland | CLE | • | 1,037 | 320,398 | 2.88% |
| 8 | New York (JFK) | JFK | • | 1,074 | 276,338 | 2.94% | 8 | New York (JFK) | JFK | • | 1,074 | 310,499 | 2.79% |
| 9 | Chicago (Midway) | MDW | • | 1,105 | 265,226 | 2.82% | 9 | New York (La Guardia) | LGA | • | 1,090 | 275,132 | 2.48% |
| 10 | New York (La Guardia) | LGA | • | 1,090 | 260,588 | 2.77% | 10 | Chicago (Midway) | MDW | • | 1,105 | 273,966 | 2.46% |
| 11 | Indianapolis | IND | • | 966 | 216,842 | 2.31% | 11 | Indianapolis | IND | • | 966 | 270,228 | 2.43% |
| 12 | Cincinnati | CVG | • | 878 | 216,342 | 2.30% | 12 | Cincinnati | CVG | • | 878 | 250,919 | 2.26% |
| 13 | Atlanta | ATL | • | 515 | 207,319 | 2.21% | 13 | Atlanta | ATL | • | 515 | 237,913 | 2.14% |
| 14 | Denver | DEN | • | 1,606 | 206,222 | 2.20% | 14 | Denver | DEN | • | 1,606 | 221,296 | 1.99% |
| 15 | Baltimore | BWI | • | 946 | 187,192 | 1.99% | 15 | Columbus | CMH | • | 930 | 204,441 | 1.84% |
| 16 | Pittsburg | PIT | • | 966 | 168,181 | 1.79% | 16 | Baltimore | BWI | • | 946 | 197,481 | 1.78% |
| 17 | Columbus | CMH | • | 930 | 166,530 | 1.77% | 17 | Pittsburg | PIT | • | 966 | 185,242 | 1.67% |
| 18 | Washington (National) | DCA | • | 892 | 156,349 | 1.66% | 18 | Milwaukee | MKE | • | 1,183 | 179,985 | 1.62% |
| 19 | St. Louis | STL | • | 979 | 155,768 | 1.66% | 19 | St. Louis | STL | • | 979 | 176,940 | 1.59% |
| 20 | Milwaukee | MKE | • | 1,183 | 138,794 | 1.48% | 20 | Washington (National) | DCA | • | 892 | 167,119 | 1.50% |
| 21 | Dallas/Ft. Worth | DFW | • | 1,017 | 125,942 | 1.34% | 21 | Dallas/Ft. Worth | DFW | • | 1,017 | 149,050 | 1.34% |
| 22 | Hartford | BDL | • | 1,180 | 114,151 | 1.22% | 22 | Hartford | BDL | • | 1,180 | 145,305 | 1.31% |
| 23 | Westchester County | HPN | • | 1,102 | 108,747 | 1.16% | 23 | Nashville International | BNA | • | 722 | 126,082 | 1.13% |
| 24 | Nashville International | BNA | • | 722 | 102,421 | 1.09% | 24 | Atlantic City | ACY | • | 982 | 121,770 | 1.10% |
| 25 | Atlantic City | ACY | • | 982 | 98,723 | 1.05% | 25 | Providence | PVD | • | 1,201 | 115,854 | 1.04% |
| 26 | Dulles | IAD | • | 891 | 94,494 | 1.01% | 26 | Charlotte | CLT | • | 600 | 112,822 | 1.02% |
| 27 | New Haven | HVN | • | 1,134 | 93,518 | 1.00% | 27 | Westchester County | HPN | • | 1,102 | 105,708 | 0.95% |
| 28 | Charlotte | CLT | • | 600 | 90,211 | 0.96% | 28 | Dulles | IAD | • | 891 | 103,806 | 0.93% |
| 29 | Houston | IAH | • | 861 | 85,100 | 0.91% | 29 | Houston | IAH | • | 861 | 103,742 | 0.93% |
| 30 | Kansas City | MCI | • | 1,156 | 81,875 | 0.87% | 30 | Kansas City | MCI | • | 1,156 | 95,941 | 0.86% |
| | Total- Top 30 Markets | | | | 6,821,181 | 72.6% | | Total- Top 30 Markets | | | | 7,836,731 | 70.5% |
| | Total - All Other Markets | | | | 2,570,663 | 27.4% | | Total - All Other Markets | | | | 3,278,397 | 29.5% |
| | Total - All Markets | | | | 9,391,844 | 100.0% | | Total - All Markets | | | | 11,115,128 | 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, 2024
(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 |
|---|---|---|---|---|---|---|---|---|
| 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 |
| 2024 | 75,300 | 332 | 2,670 | - | 14,313 | 1,204 | 1,350 | 95,169 |
| Compounded Growth | | | | | | | | |
| 2015-2024 | 2.79% | -25.27% | 2.45% | -100.00% | 3.66% | 0.69% | 0.31% | 2.17% |

[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, 2024
(dollars in thousands)

HISTORICAL STATEMENT OF NET REVENUES [1]
FISCAL YEARS 2020-2024

| OPERATING REVENUES: | 2020 | 2021 | 2022[12] | 2023[12] | 2024[13] |
|---|---|---|---|---|---|
| User fees | $ 37,836 | $ 41,367 | $ 44,246 | $ 50,303 | $ 51,459 |
| Rentals and franchise fees | 4,834 | 4,982 | 5,831 | 5,643 | 7,181 |
| Concessions | 34,563 | 48,857 | 68,297 | 61,475 | 68,934 |
| Pledged PFCs[2] | 2,557 | 2,915 | 10,941 | 10,878 | 11,416 |
| Interest Revenue[3] | 1,625 | 219 | 2,084 | 10,297 | 11,071 |
| Miscellaneous[4] | 74 | 1,246 | 311 | 522 | 5,224 |
| Total Operating Revenues | 81,489 | 99,586 | 131,710 | 139,118 | 155,285 |
| OPERATING EXPENSES[5]: | | | | | |
| Salaries and wages [6] | 23,250 | 24,186 | 26,265 | 26,644 | 26,427 |
| Employee benefits | 11,066 | 12,272 | 13,432 | 15,198 | 16,324 |
| Contractual services, materials and supplies[7] | 15,413 | 15,466 | 17,960 | 20,696 | 26,881 |
| Utilities | 3,990 | 4,128 | 5,008 | 5,546 | 5,643 |
| Repairs and maintenance | 2,178 | 2,710 | 2,779 | 3,412 | 3,703 |
| Insurance | 1,595 | 1,772 | 2,243 | 3,077 | 3,723 |
| Other | 2,067 | 1,470 | 1,780 | 2,081 | 2,332 |
| Arbitrage rebate[3] | - | - | - | - | |
| Total Operating Expenses | 59,559 | 62,004 | 69,467 | 76,654 | 85,033 |
| NET REVENUES | 21,930 | 37,582 | 62,243 | 62,464 | 70,252 |
| Transfers in[8] | 239 | 31 | 224 | 289 | 351 |
| Bond debt service interest | 12,694 | 11,279 | 14,289 | 14,405 | 13,668 |
| Bond Principal[9] | 3,340 | 3,580 | 5,135 | 14,750 | 15,490 |
| TOTAL DEBT SERVICE: | $ 16,034 | $ 14,859 | $ 19,424 | $ 29,155 | $ 29,158 |
| BOND SERVICE REQUIREMENT COVERAGE[10] | 1.37 | 2.53 | 3.20 | 2.14 | 2.41 |
| BOND SERVICE REQUIREMENT COVERAGE AFTER TRANSFERS[11] | 1.38 | 2.53 | 3.22 | 2.15 | 2.42 |

[1] Net Revenues are determined in accordance with the Bond Resolution.
[2] The County has pledged the Pledged PFCs as additional security for the PFC Pledged Bonds. Therefore, receipts from the PFC Revenues are treated as Revenues under the Bond Resolution.
[3] Interest revenue has been revised from prior ACFRs to exclude interest earnings on the 2021B proceeds in accordance with the bond resolution. This reduced interest revenue by $1.9M and $8.8M in FY2022 and FY2023, respectively.
[4] Miscellaneous Revenue excludes revenue from the sale of disposed property beginning in FY2021 in accordance with the bond resolution.
[5] Operating Expenses do not include depreciation, amortization and unpaid pension and other postemployment benefits expense in accordance with the bond resolution.
[6] Salaries and wages reduced with moneys received from the ARP Act by $3.8M and $5.1M in FY2023 and FY2024, respectivily.
[7] Contractual services reduced with moneys received from the CARES, CRRSA and ARP Act by $2.3M, $3.5M, $4.7M, $7.4M and $4.9M in FY2020, FY2021, FY2022, FY2023 and FY2024, respectively.
[8] Transfers include a Federal Inspection Station user fee of $2.00 per deplaned passenger.
[9] 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.
[10] 1.00x Required Coverage
[11] 1.25x Required Coverage
[12] 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.
[13] Principal and interest paid on the taxable subordinate revolving credit facility were $9.0M and $0.1M, respectively in FY2024.

Source: Lee County Clerk of Circuit Court & Comptroller - Comptroller and Treasury Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
September 30, 2024
(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 |
| 2024 | 5,584,257 | 5,497,072 | 20,965,283 | 1,788,487 | 22,753,770 |

Source: Lee County Port Authority



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*Back Cover Photo Credit: Dana Evans*




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Lee County, Florida

# Single Audit Reports

For the Year Ended September 30, 2024

(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, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 25, 2025.

## 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. 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.

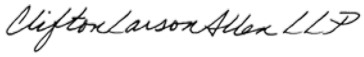
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**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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.*

***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
April 25, 2025

# 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, 2024. 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, 2024.

### *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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative* Requirements*, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General 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 and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 we:

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

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

**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 items 2024-001 and 2024-002 to be significant deficiencies.

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.

**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, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon, dated April 25, 2025, 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**

Fort Myers, Florida
April 25, 2025

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|
| U.S. Department of Agriculture: | | | | | | |
| Emergency Watershed Protection - Hurricane Ian Waterway Debris | 10.923 | 5078 | Natural Resources Conservation Service (NRCS) | 14,410,701 | 2,534,931 | |
| Total U.S. Department of Agriculture | | | | 14,410,701 | 2,534,931 | - |
| U.S. Department of Health & Human Services: | | | | | | |
| 477 Cluster | | | | | | |
| Temporary Assistance for Needy Families - Homeless Prevention (FY23-24) | 93.558 | QPZ02 | Florida Department of Children and Families | 46,582 | 30,275 | |
| Temporary Assistance for Needy Families - Homeless Prevention (FY24-25) | 93.558 | QPZ02 | Florida Department of Children and Families | 46,582 | 7,043 | 7,043 |
| Total program-cluster sub-total | | | | 93,164 | 37,318 | 7,043 |
| Community Services Block Grant FY23 | 93.569 | E2008 | Florida Department of Economic Opportunity | 560,806 | 504,504 | |
| Community Services Block Grant FY24 | 93.569 | E2008 | Florida Department of Economic Opportunity | 417,660 | 81,614 | |
| Total program-cluster sub-total | | | | 978,466 | 586,118 | - |
| Total 477 Cluster | | | | 1,071,630 | 623,436 | 7,043 |
| Child Support Enforcement Program (Federal Initiative) | 93.563 | COC36 | Florida Department of Revenue | 423,900 | 412,015 | |
| Total program | | | | 423,900 | 412,015 | - |
| Low Income Home Energy Assistance Program (LIHEAP) - FY23-24 | 93.568 | E2008 | Florida Department of Economic Opportunity | 2,253,465 | 1,454,778 | |
| Low Income Home Energy Assistance Program (LIHEAP) | 93.568 | E2008 | Florida Department of Economic Opportunity | 1,758,492 | 375,701 | |
| Total program | | | | 4,011,957 | 1,830,479 | - |
| Total U.S. Department of Health & Human Services | | | | 5,507,487 | 2,865,930 | 7,043 |

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|---|
| U.S. Department of Homeland Security: | | | | | | | |
| Disaster Grant-Public Assistance - Hurricane IAN DR-4673 | | 97.036 | Z2887 | Florida Division of Emergency Management | 205,439,648 | 139,249,059 | |
| Disaster Grant-Public Assistance - DR 4673-Hurricane Ian | | 97.036 | Z2991 | Florida Division of Emergency Management | 837,989 | 811,146 | |
| Disaster Grant-Public Assistance - FEMA | | 97.036 | Z2833 | Florida Division of Emergency Management | 8,596,821 | 727,227 | |
| | Total program | | | | 214,874,459 | 140,787,432 | - |
| Hazard Mitigation Grant - Generator Project Veterans Park Rec Ctr Arena | | 97.039 | 4337-136-R H0234 | Florida Division of Emergency Management | 445,082 | 39,709 | |
| Hazard Mitigation Grant - Generator Project Harns Marsh Elementary | | 97.039 | 4337-175-R H0304 | Florida Division of Emergency Management | 1,275,629 | 224,252 | |
| Hazard Mitigation Grant - Generator Project Treeline Elementary | | 97.039 | 4337-178-R H0306 | Florida Division of Emergency Management | 1,365,908 | 816,864 | |
| Hazard Mitigation Grant - Generator Project Manatee Elementary | | 97.039 | 4337-179-R H0307 | Florida Division of Emergency Management | 1,410,683 | 832,178 | |
| Hazard Mitigation Grant - Generator Project Alico Arena | | 97.039 | 4337-326-R H0414 | Florida Division of Emergency Management | 1,395,860 | 771,292 | |
| Hazard Mitigation Grant - Lee County - Industrial Park Drainage, Phase 1 | | 97.039 | 4337-242-R H0330 | Florida Division of Emergency Management | 184,560 | 97,093 | |
| | Total Program | | | | 6,077,721 | 2,781,388 | - |
| Emergency Management Performance Grant (EMPG FY23-24) | | 97.042 | G0454 | Florida Division of Emergency Management | 169,368 | 147,283 | |
| | Total Program | | | | 169,368 | 147,283 | - |
| Homeland Security Grant Program | | 97.067 | R0601 | Florida Division of Emergency Management | 102,300 | 80,525 | |
| Homeland Security Grant Program - Florida Urban Search and Rescue Task Force 6 | | 97.067 | R0868 | Florida Division of Emergency Management | 93,050 | 22,904 | |
| | Total program | | | | 195,350 | 103,429 | - |
| | Total U.S. Department of Homeland Security | | | | 221,316,898 | 143,819,532 | - |

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|
| U.S. Department of Housing & Urban Development: | | | | | | |
| CDBG/Entitlement Grants- Year 28 | 14.218 | B-17-UC-12-0013 | | 2,649,950 | 40,016 | 40,016 |
| CDBG/Entitlement Grants- Year 30 | 14.218 | B-19-UC-12-003 | | 3,047,518 | 654,640 | 653,750 |
| COVID-19 CDBG/Entitlement Grants- Year 30 | 14.218 | B-20-UW-12-0013 | | 4,574,937 | 651,802 | 502,384 |
| CDBG/Entitlement Grants- Year 31 | 14.218 | B-20-UC-12-0013 | | 3,229,599 | 348,477 | 98,903 |
| CDBG/Entitlement Grants Year 32 | 14.218 | B-21-UC-12-0013 | | 3,321,573 | 616,377 | 557,934 |
| CDBG/Entitlement Grants Year 33 | 14.218 | B-22-UC-12-0014 | | 3,143,590 | 869,300 | 555,735 |
| CDBG/Entitlement Grants Year 33 | 14.218 | B-23-UC-12-0014 | | 3,085,111 | 1,089,704 | 243,246 |
| CDBG/Sidewalk and Drainage | 14.218 | IR023 | Department of Economic Opportunity | 2,718,577 | 1,263,757 | |
| CDBG-DR / Hurricane Ian Disaster Recovery Allocation (88-FR-32046) | 14.218 | B-23-UN-12-0002 | | 1,107,881,000 | 19,591,987 | 63,378 |
| Neighborhood Stabilization Program | 14.218 | B-08-UN-12-0009 | | 18,243,867 | 116,200 | |
| Neighborhood Stabilization Program 3 | 14.218 | B-11-UN-12-0009 | | 6,639,174 | 7,099 | |
| Total program | | | | 1,158,534,896 | 25,249,359 | 2,715,345 |
| CDBG/Entitlement Grants- DR FL DEO - San Carlos Park Drainage & Sidewalk Repairs | 14.228 | IR014 | | 7,119,293 | 438,996 | |
| CDBG -MIT Harden WTE Facility Roof and Equipment | 14.228 | I0172 | | 2,820,000 | 21,408 | |
| CDBG -CV-State | 14.228 | H2515-22CV-E21-LeeCo | FL Dept of Economic Opportunity | 1,006,927 | 987,417 | 987,417 |
| Total Program | | | | 10,946,220 | 1,447,821 | 987,417 |
| Emergency Solutions Grant Program - Federal | 14.231 | E-21-UC-12-0013 | | 275,471 | 44,298 | |
| Emergency Solutions Grant Program - State (FY23-24) | 14.231 | QPZ02 | | 113,839 | 90,192 | |
| Emergency Solutions Grant Program - State (FY24-25) | 14.231 | QPZ02 | | 116,261 | 23,581 | |
| Emergency Solutions Grant Program - CV2 | 14.231 | QPZ02 | | 1,847,706 | 171,150 | 171,150 |
| Emergency Solutions Grant Program - Federal YR22 | 14.231 | E-22-UC-12-0013 | | 279,213 | 271,123 | |
| Emergency Solutions Grant Program - Rush | 14.231 | E-22-UW-12-0013 | | 2,137,979 | 186,812 | 186,812 |
| Emergency Solutions Grant Program - Rush | 14.231 | QPZ02 | | 418,907 | 337,228 | 337,228 |
| Emergency Solutions Grant Program PY23 | 14.231 | E-23-UC-12-0013 | | 276,288 | 41,576 | |
| Total program | | | | 5,465,664 | 1,165,960 | 695,191 |

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|---|
| Home Investment Partnership Program - Year 31 (FY23) | | 14.239 | M-22-UC-12-0210 | | 1,131,175 | 194,079 | 146,936 |
| Home Investment Partnership Program - Year 30 (FY22) | | 14.239 | M-21-UC-12-0210 | | 1,049,047 | 419,960 | 335,877 |
| Home Investment Partnership Program - Year 29 (FY21) | | 14.239 | M-20-UC-12-0210 | | 1,040,306 | 263,690 | 263,653 |
| Home Investment Partnership Program - ARP | | 14.239 | M-21-UP-12-0210 | | 3,802,106 | 860,394 | 30,000 |
| | Total program | | | | 7,022,634 | 1,738,123 | 776,465 |
| Housing Opportunities for Persons with Aids (HOPWA) | | 14.241 | CODUI | FL Dept of Health/Health Planning Council of SWFL | 268,400 | 159,838 | |
| Housing Opportunities for Persons with Aids (HOPWA) | | 14.241 | CODUI-1 | | 235,500 | 53,776 | |
| | Total program | | | | 503,900 | 213,614 | - |
| Continuum of Care Program (SHP FY21) | | 14.267 | | | 2,046,670 | 525,821 | 472,131 |
| Continuum of Care Program (SHP FY22) | | 14.267 | Various | | 2,012,619 | 1,116,571 | 871,308 |
| | Total program | | | | 4,059,289 | 1,642,392 | 1,343,440 |
| | Total U.S. Department of Housing & Urban Development | | | | 1,186,532,603 | 31,457,269 | 6,517,858 |
| U.S. Department of Justice: | | | | | | | |
| State Criminal Alien Assistance Program (SCAAP) | | 16.606 | 15PBJA-21-RR-05124-SCAA | | 118,856 | 114,558 | |
| State Criminal Alien Assistance Program (SCAAP) | | 16.606 | 15PBJA-22-RR-05313-SCAA | | 61,611 | 61,611 | |
| | Total program | | | | 180,467 | 176,169 | - |
| Paul Coverdell Forensic Sciences Improvement Grant Program FY23 | | 16.742 | 15PBJA-23-GG-00945-COVE | | 2,996 | 2,996 | |
| | Total program | | | | 2,996 | 2,996 | - |
| | Total U.S. Department of Justice | | | | 183,463 | 179,165 | - |

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|
| U.S. Department of Transportation/non-FAA: | | | | | | |
| Highway Planning and Construction - Enhancement & Ops of Lee TOC | 20.205 | G1079 (429960-1-88-01) | Florida Department of Transportation | 217,500 | 39,174 | |
| Highway Planning and Construction - NEW SIGNAL ESTERO AND CRESCENT | 20.205 | G1W25 (444923-2-58-01) | Florida Department of Transportation | 693,000 | 336,848 | |
| Highway Planning and Construction - LAP-Hurricane Irma Mast Arms | 20.205 | G1Z00 | | 497,562 | 363,464 | |
| Highway Planning and Construction - Hurricane Ian Permanent Signal Repair | 20.205 | G2M50 | | 3,216,844 | 3,054,687 | |
| Total Program | | | | 4,624,906 | 3,794,173 | - |
| Federal Transit Cluster | | | | | | |
| Federal Transit Formula Grants - USC 5307 FY13 | 20.507 | FL-90-X806 | | 6,527,494 | 10,042 | |
| Federal Transit Formula Grants - USC 5307 FY14 | 20.507 | FL-90-X850 | | 5,833,046 | 4,500 | |
| Federal Transit Formula Grants - USC 5307 FY15 | 20.507 | FL 2016-047 | | 5,787,589 | 58,035 | |
| Federal Transit Formula Grants - USC 5307 FY16 | 20.507 | FL-2016-043-00 | | 5,731,365 | 105,680 | |
| Federal Transit Formula Grants - USC 5307 FY18 | 20.507 | FL-2018-079-00 | | 6,257,157 | 285,503 | |
| Federal Transit Formula Grants - USC 5307 FY19 | 20.507 | FL 2019-080-00 | | 6,459,611 | 301,506 | |
| Federal Transit Formula Grants - USC 5307 FY19 (Flex) | 20.507 | FL 2019-069-00 | | 1,500,000 | 430,584 | |
| Federal Transit Formula Grants - USC 5307 FY20 | 20.507 | FL 2021-059 | | 6,768,285 | 2,188,347 | |
| Federal Transit Formula Grants (5307); Bus and Bus Facilities Formula, Competitive, and Low or No Emissions Programs - Super Grant | 20.507 | FL 2022-004 | | 6,734,770 | 513,933 | |
| Federal Transit Formula Grants - Super Grant: 5307 Formula; 5307 Flex Funds and 5339 for Capital Assistance - FY22 | 20.507 | FL-2024-027-00 | | 11,807,979 | 24,709 | |
| Total program-cluster sub-total | | | | 63,407,296 | 3,922,839 | - |

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|---|
| Federal Transit Formula Grants (5339); Bus and Bus Facilities Formula, Competitive, and Low or No Emissions Programs - Super Grant | | 20.526 | FL 2022-004 | | 696,584 | 235,829 | |
| Federal Transit Formula Grants - USC 5339 Bus & Bus Facilities Formula | | 20.526 | FL-2019-072-01 | | 673,013 | 247,028 | |
| Federal Transit Formula Grants - USC 5339 Bus & Bus Facilities Formula | | 20.526 | FL-2020-060 | | 3,000,000 | 6,066 | |
| Federal Transit Formula Grants - USC 5339 Bus & Bus Facilities Formula | | 20.526 | FL-2020-101 | | 758,288 | 698,334 | |
| | Total program-cluster sub-total | | | | 5,127,885 | 1,187,257 | - |
| | Total Federal Transit Cluster | | | | 68,535,181 | 5,110,096 | - |
| Federal Transit Formula Grants - USC 5339 Bus & Bus Facilities Formula | | 20.527 | FL-2024-072 (ER Grant) | | 8,464,227 | 89,266 | |
| | Total Program | | | | 8,464,227 | 89,266 | - |
| Enhanced Mobility of Seniors and Individuals with Disabilities - USC 5310 (Oper/Trips) | | 20.513 | G1V36 (447506-1-84-01) | | 164,782 | 40,475 | |
| Enhanced Mobility of Seniors and Individuals with Disabilities - USC 5310 (Mobility Management) | | 20.513 | G2A59 | Florida Department of Transportation | 180,000 | 159,612 | |
| Enhanced Mobility of Seniors and Individuals with Disabilities | | 20.513 | G2Y31 | | 180,000 | 10,637 | |
| | Total Program | | | | 524,782 | 210,724 | - |
| Formula Grants for Rural Areas and Tribal Transit Program - USC 5311 | | 20.509 | G1V48 (410125-1-84-39 ) | Florida Department of Transportation | 358,467 | 9,096 | |
| Formula Grants for Rural Areas and Tribal Transit Program - USC 5311 (CARES) | | 20.509 | G1M56 (447488-1-84-01) | Florida Department of Transportation | 849,324 | 116,894 | |
| | Total Program | | | | 1,207,791 | 125,990 | - |
| | Total U.S. Department of Transportation/non-FAA | | | | 83,356,887 | 9,330,250 | - |

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|
| U.S. Department of Transportation/FAA: | | | | | | |
| Airport Improvement Program - Update Airport Master Plan Study | 20.106 | 3-12-0135-058-2021 | U.S. Department of Transportation Federal Aviation Administration | 1,999,776 | 58,082 | |
| Airport Improvement Program - CRRSA - RSW (ARPA Act) | 20.106 | 3-12-0135-062-2022 | U.S. Department of Transportation Federal Aviation Administration | 33,178,988 | 18,233,659 | |
| Airport Improvement Program - Construction of Taxilanes project at Page Field | 20.106 | 3-12-0027-026-2023 | U.S. Department of Transportation Federal Aviation Administration | 4,210,642 | 2,226,832 | |
| Airport Improvement Program - Rehabilitate Access Road / Rehabilitate Perimeter Road | 20.106 | 3-12-0135-064-2023 | U.S. Department of Transportation Federal Aviation Administration | 8,732,164 | 5,465,210 | |
| Airport Improvement Program - Expand Concourse E, Terminal Access Road, and Terminal E, Construct Taxiway - Design | 20.106 | 3-12-0135-065-2024 | U.S. Department of Transportation Federal Aviation Administration | 24,997,872 | 24,997,872 | |
| Total U.S. Department of Transportation/FAA | | | | 73,119,442 | 50,981,655 | - |
| U.S. Department of Treasury: | | | | | | |
| COVID-19: Emergency Rental Assistance Program (ERA2) | 21.023 | ERAE0283 | | 18,410,960 | 1,016,340 | |
| Total Program | | | | 18,410,960 | 1,016,340 | - |
| Coronavirus State and Local Fiscal Recovery Funds: American Rescue Plan | 21.027 | SLT-2390 | | 149,675,549 | 27,986,171 | |
| Coronavirus State and Local Fiscal Recovery Funds: Lee County - 2022 Hurricane Ian and Nicole Emergency Recovery Project | 21.027 | 23LE2 | Florida Department of Environmental Protection | 5,000,000 | 1,267,602 | |
| Total Program | | | | 154,675,549 | 29,253,773 | - |
| Local Assistance and Tribal Consistency Fund | 21.032 | None | | 100,000 | 100,000 | |
| Total Program | | | | 100,000 | 100,000 | - |
| Total U.S. Department of the Treasury | | | | 173,186,509 | 30,370,113 | - |
| National Endowment for the Humanities | | | | | | |
| Promotion of the Humanities Federal/State Partnership | 45.129 | GR-1023-5301-2812 | | 10,000 | 7,190 | |
| Total National Endowment for the Humanities | | | | 10,000 | 7,190 | - |
| **Total Expenditures of Federal Awards** | | | | **1,757,623,990** | **271,546,035** | **6,524,901** |

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|
| Florida Department of Children and Families: | | | | | | |
| Homeless Challenge Grant FY23-24 - Staffing Grant | 60.014 | QPZ02 | | 185,895 | 176,966 | 176,966 |
| Homeless Challenge Grant FY24-25 - Staffing Grant | 60.014 | QPZ02 | | 185,894 | 46,474 | 46,474 |
| Homeless Challenge Grant FY23-24 - Florida Challenge | 60.014 | QPZ02 | | 279,686 | 72,586 | |
| Homeless Challenge Grant FY24-25 - Florida Challenge | 60.014 | QPZ02 | | 934,307 | 45,405 | |
| Homeless Challenge Grant FY23-24 - Fl Challenge Plus Grant | 60.014 | QPZ02 | | 86,536 | 86,536 | |
| Total Program | | | | 1,672,318 | 427,967 | 223,440 |
| Criminal Justice, Mental Health, & Substance Abuse Reinvestment Grant | 60.115 | LHZ97 | | 100,000 | 22,109 | 22,109 |
| Total Program | | | | 100,000 | 22,109 | 22,109 |
| Total Florida Department of Children and Families | | | | 1,772,318 | 450,076 | 245,549 |
| Florida Department of Commerce: | | | | | | |
| Economic Development Partnership - Perfect Game BCS: 9/28/23 - 10/2/23 | 40.040 | 344 | | 25,000 | 25,000 | |
| Economic Development Partnership - Perfect Game BCS: 5/31/24 - 7/25/24 | 40.040 | 32462 | | 24,500 | 24,500 | |
| Total Program | | | | 49,500 | 49,500 | - |
| SHIP YR26 (State FY20-21) | 40.901 | LB030 | | - | 34,268 | 34,268 |
| SHIP YR27 (State FY21-22) | 40.901 | LB031 | | 5,223,737 | 2,267,141 | 1,938,851 |
| SHIP YR28 (State FY22-23) | 40.901 | LB032 | | 4,689,679 | 1,125,015 | 1,125,015 |
| SHIP YR28 (State FY23-24) | 40.901 | LB033 | | 5,702,121 | 1,339,552 | 1,339,552 |
| SHIP / HHRP | 40.901 | LBIAN | | 18,913,920 | 6,431,943 | 6,431,943 |
| Total Program | | | | 34,529,457 | 11,197,919 | 10,869,629 |
| Total Florida Department of Commerce | | | | 34,578,957 | 11,247,419 | 10,869,629 |

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|---|
| Executive Office of the Governor | | | | | | | |
| EMPA Base Grant FY23-24 | | 31.063 | A0382 | | 105,806 | 73,295 | |
| EMPA Base Grant FY23-24 | | 31.063 | A0443 | | 105,806 | 12,425 | |
| | Total Program | | | | 211,612 | 85,720 | - |
| Local Emergency Management and Mitigation Initiatives: EOC Expansion State Appropriation | | 31.064 | F0097 | | 13,707,160 | 11,627,887 | |
| | Total Program | | | | 13,707,160 | 11,627,887 | - |
| Urban Search and Rescue Sustainment Program: USAR State Appropriation Grant | | 31.078 | T0231 | | 1,113,000 | 801,391 | |
| | Total Program | | | | 1,113,000 | 801,391 | - |
| | Total Executive Office of the Governor | | | | 15,031,772 | 12,514,998 | - |
| Florida Department of Education | | | | | | | |
| Coach Aaron Feis Guardian Program | | 48.140 | 86T-90210-4D001 | | 41,717 | 13,434 | |
| | Total Florida Department of Education | | | | 41,717 | 13,434 | - |

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| Federal/State grantor /Program or Cluster Title | | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|---|
| Florida Department of Environmental Protection: | | | | | | | |
| Beach Management Funding Assistance Program - Estero Barriers Regional Inlet Mgmt | | 37.003 | 19LE2 (20LE4 & 22LE4) | | 400,955 | 22,587 | |
| Beach Management Funding Assistance Program - Blind Pass Monitoring | | 37.003 | 20LE2 | | 182,096 | 33,736 | |
| Beach Management Funding Assistance Program - Blind Pass Implementation | | 37.003 | 22LE5 | | 1,450,852 | 427 | |
| | Total Program | | | | 2,033,903 | 56,750 | - |
| Statewide Surface Water Restoration and Wastewater Prj - Caloosahatchee T. Flow Monitor | | 37.039 | NS037 | | 294,600 | 65,000 | |
| | Total Program | | | | 294,600 | 65,000 | - |
| FDEP Hurricane Stormwater and Wastewater Assistance Grant: Emergency Lift Station 5507 Replacement | | 37.114 | HA004 | | 1,900,000 | 1,330,197 | |
| FDEP Hurricane Stormwater and Wastewater Assistance Grant | | 37.114 | HA031 | | 994,898 | 824,306 | |
| FDEP Hurricane Stormwater and Wastewater Assistance Grant | | 37.114 | HA032 | | 3,970,825 | 1,214,878 | |
| FDEP Hurricane Stormwater and Wastewater Assistance Grant | | 37.114 | HA033 | | 729,442 | 409,938 | |
| | Total Program | | | | 7,595,165 | 3,779,319 | - |
| | Total Florida Department of Environmental Protection | | | | 9,923,668 | 3,901,069 | - |
| Florida Department of Health: | | | | | | | |
| County Grant Award - EMS FY22-23 | | 64.005 | C1036 | | 63,156 | 17,684 | |
| | Total Florida Department of Health | | | | 63,156 | 17,684 | - |

**LEE COUNTY, FLORIDA**
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| Federal/State grantor /Program or Cluster Title | | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|---|
| Florida Department of Management Services: | | | | | | | |
| NG911 Core Services Region 6 Project | | 72.003 | S22-23-04-35 | | 6,139,788 | 542,262 | |
| Prepaid Next Generation 911 | | 72.003 | S22-23-04-36 | | 416,971 | 93,991 | |
| | Total Program | | | | 6,556,759 | 636,253 | - |
| Local Government Cybersecurity Grant Program - FY22/23 - Port | | 72.009 | DMS-22/23-204 | | 400,000 | 400,000 | |
| Local Government Cybersecurity Grant Program- FY22/23 - ITG | | 72.009 | DMS-22/23-241 | | 309,372 | 230,761 | |
| Local Government Cybersecurity Grant Program- FY22/23 - Property Appraiser | | 72.009 | DMS-22/23-274 | | 112,674 | 84,505 | |
| Local Government Cybersecurity Grant Program- FY22/23 - Utilities | | 72.009 | DMS-22/23-413 | | 55,067 | 41,074 | |
| | Total Program | | | | 877,112 | 756,340 | - |
| Local Government Cybersecurity Grant Program- FY23/24 - ITG | | 72.016 | DMS-24/25-122 | | 154,245 | 16,840 | |
| Local Government Cybersecurity Grant Program- FY23/24 - Utilities | | 72.016 | DMS-24/25-123 | | 44,811 | 10,878 | |
| Local Government Cybersecurity Grant Program- FY23/24 - Clerk | | 72.016 | DMS-24/25-124 | | 107,807 | 27,043 | |
| Local Government Cybersecurity Grant Program- FY23/24 - Port | | 72.016 | DMS-24/25-125 | | 83,700 | 21,097 | |
| Local Government Cybersecurity Grant Program- FY23/24 - Property Appraiser | | 72.016 | DMS-24/25-126 | | 126,859 | 31,715 | |
| | Total Program | | | | 517,422 | 107,574 | - |
| | Total Florida Department of Management Services | | | | 7,951,293 | 1,500,167 | - |
| Florida Department of Revenue | | | | | | | |
| Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise | | 73.016 | SB13-235 | | 15,000,000 | 500,004 | |
| | Total Florida Department of Revenue | | | | 15,000,000 | 500,004 | - |
| Florida Department of State: | | | | | | | |
| State Aid to Libraries Grant (FY23-24) | | 45.030 | 24-ST-24 | | 487,218 | 487,218 | |
| | Total Florida Department of State | | | | 487,218 | 487,218 | - |

**LEE COUNTY, FLORIDA**
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**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|---|
| Florida Department of Transportation/non-FAA: | | | | | | | |
| Florida Commission for the Transportation Disadvantaged Trip and Equipment | | 55.001 | G2K60 | | 1,147,387 | 522,292 | |
| Florida Commission for the Transportation Disadvantaged Trip & Equipment | | 55.001 | G2Z26 | | 1,317,978 | 187,384 | |
| | Total Program | | | | 2,465,365 | 709,676 | - |
| Public Transit Block Grant Program | | 55.010 | G2G92 | | 2,362,357 | 214,087 | |
| Public Transit Block Grant Program | | 55.010 | G2S88 | | 2,514,141 | 2,468,665 | |
| | Total Program | | | | 4,876,498 | 2,682,752 | - |
| Public Transit Service Development Program - Downtown Trolley Service | | 55.012 | G1G04 | | 1,212,725 | 231,844 | |
| Public Transit Service Development Program - Beach Tram Service | | 55.012 | G1G03 | | 998,573 | 68,515 | |
| Public Transit Service Development Program | | 55.012 | G2C02 | | 260,211 | 90,644 | |
| | Total Program | | | | 2,471,509 | 391,003 | - |
| Transit Corridor Development Program - FY23-24 | | 55.013 | G2H58 | | 1,367,134 | 664,485 | |
| Transit Corridor Program Grant | | 55.013 | G2S89 | | 1,955,795 | 865,440 | |
| | Total Program | | | | 3,322,929 | 1,529,925 | - |
| Transportation Regional Incentive Prg (TRIP) - Littleton Road | | 55.026 | G2184 | Florida Department of Transportation | 5,000,000 | 3,549,178 | |
| Transportation Regional Incentive Prg (TRIP) - Burnt Store Rd South | | 55.026 | G1L57 (440340-1-54-01) | Florida Department of Transportation | 2,962,302 | 50,000 | |
| | Total Program | | | | 7,962,302 | 3,599,178 | - |
| Local Transportation Projects: Widening of Ortiz Ave. | | 55.039 | G2748 | | 2,175,000 | 1,400,911 | |
| | Total Program | | | | 2,175,000 | 1,400,911 | - |
| | Total Florida Department of Transportation/non-FAA | | | | 23,273,603 | 10,313,445 | - |

**LEE COUNTY, FLORIDA**
**Schedule of Expenditures of Federal Awards**
**and State Financial Assistance**
**For the Fiscal Year ended September 30, 2024**

| Federal/State grantor /Program or Cluster Title | ALN (CFDA) / CSFA number | Grant number | Pass-through entity | Federal/State award amount | Reportable Expenditures | 2023-2024 Transfers to Subrecipients |
|---|---|---|---|---|---|---|
| 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) | | 14,009,056 | 2,435,165 | |
| Aviation Grant Programs - South Quadrant Hangars and Ramp | 55.004 | G1C72 (446314-1-94-01) | | 5,525,000 | 3,086,998 | |
| Aviation Grant Programs - RSW Terminal Expansion | 55.004 | G1C87 (441981-1-94-01) | | 34,049,232 | 10,296,066 | |
| Aviation Grant Programs - RSW Terminal Expansion | 55.004 | G1C87 (441981-1-94-02) | | 16,060,990 | 5,000,000 | |
| Aviation Grant Programs - RSW Landside Pavement Rehabilitation | 55.004 | G2H05 (430979-1-94-02) | | 1,455,351 | 1,076,838 | |
| Aviation Grant Programs - Southwest Florida International Airport Rehabilitate Runway 6-24 and Taxiway System | 55.004 | G2H67 (450037-1-94-01) | | 163,205 | 149,308 | |
| Total Florida Department of Transportation/FAA | | | | 71,262,834 | 22,044,374 | - |
| Florida Department of Law Enforcement | | | | | | |
| Drone Replacement Program | 71.092 | 3X073 | | 319,834 | 319,834 | |
| Total Program | | | | 319,834 | 319,834 | - |
| FT23-24 S.A.F.E. in Florida Program | 71.122 | 2023-SAFE-SF-043 (FM-18-0174) | | 216,400 | 181,888 | |
| FT23-24 S.A.F.E. in Florida Program | 71.122 | 2023-SAFE-SF-043 (FM-18-0184) | | 15,000 | 7,684 | |
| FT23-24 S.A.F.E. in Florida Program | 71.122 | 2023-SAFE-SF-043 (FM-73-1056) | | 3,010 | 3,010 | |
| Total Program | | | | 234,410 | 192,582 | - |
| Total Florida Department of Law Enforcement | | | | 554,244 | 512,416 | - |
| **Total Expenditures of State Financial Assistance** | | | | **179,940,779** | **63,502,303** | **11,115,179** |
| | | | **Total Federal and State Grants** | **1,937,564,769** | **335,048,338** | **17,640,079** |

# LEE COUNTY, FLORIDA

## Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

Year Ended September 30, 2024

(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, 2024, which are recognized on the modified accrual basis of accounting for the governmental funds and the accrual basis of accounting for expenditures in the propriety funds. 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

**LEE COUNTY, FLORIDA**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**YEAR ENDED SEPTEMBER 30, 2024**

## *SECTION I – SUMMARY OF AUDITORS' RESULTS*

### Financial Statements

| | |
|---|---|
| Type of auditors' report issued? | Unmodified |
| Internal control over financial reporting: | |
| • Material weakness identified? | None Noted |
| • Significant deficiency identified? | None noted |
| Noncompliance material to the financial statements noted? | No |

### Federal Awards Section

| | |
|---|---|
| Internal control over major programs: | |
| • Material weakness identified? | No |
| • Significant deficiency 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)? | No |

Identification of major programs:

| Assistance Listing Number | Name of Federal Program or Cluster |
|---|---|
| 20.205 | Highway Planning and Construction |
| 21.027 | COVID 19 - Coronavirus State and Local Fiscal Recovery Funds |
| 97.036 | Disaster Grants – Public Assistance (Presidentially Declared Disasters) |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $3,000,000 |
| Auditee qualified as low-risk auditee? | No |

## *SECTION I – SUMMARY OF AUDITORS' RESULTS (CONTINUED)*

**State Financial Assistance Section**

Internal control over major projects:

| | |
|---|---|
| • Material weakness identified? | None Noted |
| • Significant deficiency identified? | Yes |

| | |
|---|---|
| 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 |
|---|---|
| 31.064 | Local Emergency Management and Migration Initiatives |
| 37.114 | Division of Water Restoration Assistance-Hurricane Stormwater and Wastewater Assistance |
| 55.004 | Aviation Grant Programs |
| 55.010 | Public Transit Block Grant Program |
| 55.026 | Transportation Regional Incentive Program (TRIP) |

| | |
|---|---|
| Dollar threshold used to distinguish between type A State projects | $1,905,069 |

## *SECTION II – FINANCIAL STATEMENT FINDINGS*

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

## *SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS*

**2024-001 Report Review and Approval**

Federal Agency: U.S Department of Treasury

Federal Program Name: COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Identification Number and Year: SLFRP0125 2022

Pass-through Agency: Florida Department of Environmental Protection

Award Period: January 30, 2023 through December 31, 2025

Type of Finding: Significant Deficiency in Internal Control over Compliance

## *SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS (CONTINUED)*

### 2024-001 Report Review and Approval (continued)

**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.

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:** It was observed that quarterly progress reports lacked documentation of review and approval by management prior to submission.

**Questioned Costs:** None.

**Context:** Two of two quarterly progress reports selected for testing lacked documented review and approval.

**Cause:** The lack of review and approval of grant quarterly progress report submissions may be attributed to insufficient training of staff on the importance of the review process, inadequate staffing levels, or a lack of clear guidelines and procedures for the review and approval process.

**Effect:** The lack of a proper review and approval process for grant quarterly progress report submissions can result in the submission of inaccurate and incomplete reimbursement requests and reports, which may lead to non-compliance with grant requirements and potential financial penalties.

**Repeat Finding:** No

**Recommendation:** We recommend that the organization implement a review and approval process for all quarterly progress report submissions. This should include:

- Training staff on the importance of the review and approval process.
- Ensuring adequate staffing levels to handle the review process.
- Developing clear guidelines and procedures for the review and approval process.
- Regularly monitoring and auditing the review process to ensure compliance.

**View of Responsible Official and Planned Corrective Actions:** Management concurs with the auditor's recommendations. Additional fiscal staff has been hired to assist with various fiscal tasks including grant compliance and reporting. The guidelines are being updated, the checklist expanded, and documentation of secondary approval of reports is being retained. Grant guidelines, procedures, and checklists will be utilized to ensure compliance is maintained.

## *SECTION IV – FINDINGS AND QUESTIONED COSTS – MAJOR STATE PROJECTS*

### 2024-002 Reimbursement Request and Report Review and Approval

State Agency: Executive Office of the Governor

State Program Name: Local Emergency Management and Mitigation Initiatives

Catalog of State Financial Assistance Listing Number: 31.064

State Award Identification Number: F0097

Award Period: December 12, 2022 through December 31, 2025

Type of Finding: Significant Deficiency in Internal Control over Compliance

**Criteria:** Per grant agreement, 1) invoices shall be submitted at least quarterly and shall include the supporting documentation for all costs of the project or services and 2) the recipient shall provide the Division with quarterly reports that include the current status and progress by the Recipient and subcontractors in completing the work described in the Scope of Work and the expenditure of funds under the Agreement.

Per 215.97(1)(b), the purposes of the section are to promote sound financial management, including effective internal controls, with respect to state financial assistance administered by nonstate entities.

**Condition:** It was observed that grant reimbursement requests and report submissions lacked documentation of review and approval by management prior to submission.

**Questioned Costs:** None.

**Context:** Four of four reimbursement requests and four of four quarterly progress reports selected for testing lacked documented review and approval.

**Cause:** The lack of review and approval of grant reimbursement requests and quarterly progress report submissions may be attributed to insufficient training of staff on the importance of the review process, inadequate staffing levels, or a lack of clear guidelines and procedures for the review and approval process.

**Effect:** The lack of a proper review and approval process for grant reimbursement requests and quarterly progress report submissions can result in the submission of inaccurate and incomplete reports, which may lead to non-compliance with grant requirements and potential financial penalties.

## *SECTION IV – FINDINGS AND QUESTIONED COSTS – MAJOR STATE PROJECTS (CONTINUED)*

### 2024-002 Reimbursement Request and Report Review and Approval (Continued)

**Repeat Finding:** No

**Recommendation:** We recommend that the organization implement a review and approval process for all grant reimbursement requests and quarterly progress report submissions. This should include:

- Training staff on the importance of the review and approval process.
- Ensuring adequate staffing levels to handle the review process.
- Developing clear guidelines and procedures for the review and approval process.
- Regularly monitoring and auditing the review process to ensure compliance.

**View of Responsible Official and Planned Corrective Actions:** Management concurs with the finding. There were no material issues with the grant submittals. Develop procedures for the review and approval of grant reports.

LEE COUNTY
SOUTHWEST FLORIDA
BOARD OF COUNTY COMMISSIONERS

Kevin Ruane
*District One*

Cecil L. Pendergrass
*District Two*

David Mulicka
*District Three*

Brian Hamman
*District Four*

Mike Greenwell
*District Five*

Dave Harner II
*County Manager*

Richard Wesch
*County Attorney*

Donna Marie Collins
*County Hearing Examiner*

**LEE COUNTY, FLORIDA**
**CORRECTIVE ACTION PLAN**
**YEAR ENDED SEPTEMBER 30, 2024**

Lee County respectfully submits the following corrective action plan for the year ended September 30, 2024.

Audit period: October 1, 2023 through September 30, 2024

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—FEDERAL AWARD PROGRAMS AUDITS

U.S Department of Treasury

2024-001 Coronavirus State and Local Fiscal Recovery Funds – Assistance Listing No. 21.027

**Recommendation**: We recommended that the organization implement a review and approval process for all quarterly progress report submissions. This should include:

- Training staff on the importance of the review and approval process.
- Ensuring adequate staffing levels to handle the review process.
- Developing clear guidelines and procedures for the review and approval process.
- Regularly monitoring and auditing the review process to ensure compliance.

**Explanation of disagreement with audit finding**: Management concurs with the finding.

**Action taken in response to finding**: Additional fiscal staff has been hired to assist with various fiscal tasks including grant compliance and reporting. The guidelines are being updated, the checklist expanded, and documentation of secondary approval of reports is being retained. Grant guidelines, procedures, and checklists will be utilized to ensure compliance is maintained.

**Name(s) of the contact person(s) responsible for corrective action:** Pete Winton

**Planned completion date for corrective action plan:** The above action plan will be implemented in fiscal year 2025.

Florida Department of the Executive Office

2024-002 Local Emergency Management and Mitigation Initiatives – Assistance Listing 31.064

**Recommendation**: It is recommended that the organization implement a review and approval process for all grant reimbursement requests and quarterly progress report submissions. This should include:

- Training staff on the importance of the review and approval process.
- Ensuring adequate staffing levels to handle the review process.
- Developing clear guidelines and procedures for the review and approval process.
- Regularly monitoring and auditing the review process to ensure compliance.

LEE COUNTY
SOUTHWEST FLORIDA
BOARD OF COUNTY COMMISSIONERS

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*District Five*

Dave Harner II
*County Manager*

Richard Wesch
*County Attorney*

Donna Marie Collins
*County Hearing Examiner*

**Explanation of disagreement with audit finding**: Management concurs with the finding

**Action taken in response to finding**: Develop procedures for the review and approval of grant reports

**Name(s) of the contact person(s) responsible for corrective action:** Pete Winton

**Planned completion date for corrective action plan:** The above action plan will be implemented in fiscal year 2025.

LEE COUNTY
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**LEE COUNTY, FLORIDA**
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**
**YEAR ENDED SEPTEMBER 30, 2024**

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

Audit period: October 1, 2023 through September 30, 2024

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—FINANCIAL STATEMENT AUDIT**

**2023 – 001 Asset Disposal**

**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

**Status**: Corrected

**FINDINGS— FEDERAL AWARD PROGRAMS AUDITS**

**2023 – 002 Payroll Expenditures**

**Condition:** The County did not maintain documentation supporting certain payroll expenditures charged to the grant.

**Status**: Corrected

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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, 2024.

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, 2024.

### *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, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon, dated April 25, 2025, 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, 2024 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

**CliftonLarsonAllen LLP**

Fort Myers, Florida
April 25, 2025

**Lee County, Florida**
**Schedule of Passenger Facility Charges (PFCs) Collected and Expended (As Reported to FAA)**
**for the year ended September 30, 2024**

| | Quarter Ended December 31, 2023 | Quarter Ended March 31, 2024 | Quarter Ended June 30, 2024 | Quarter Ended September 30, 2024 | Year Ended September 30, 2024 | Cumulative Totals as of September 30, 2023 | Cumulative Totals as of September 30, 2024 |
|---|---|---|---|---|---|---|---|
| **Collections** | | | | | | | |
| PFCs Collected | $ 5,115,672 | $ 6,534,927 | $ 5,436,115 | $ 3,922,886 | $ 21,009,600 | $ 391,891,874 | $ 412,901,474 |
| Interest Earned | $ 404,171 | $ 446,467 | $ 435,449 | $ 379,262 | $ 1,665,349 | $ 13,850,505 | $ 15,515,854 |
| Total Collection | $ 5,519,843 | $ 6,981,394 | $ 5,871,564 | $ 4,302,148 | $ 22,674,949 | $ 405,742,379 | $ 428,417,328 |
| **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 | $ 873,976 | $ 1,116,445 | $ 928,721 | $ 670,197 | $ 3,589,339 | $ 106,239,672 | $ 109,829,011 |
| Application No. 6 06-06-C-00-RSW | $ - | $ - | $ - | $ - | $ - | $ 4,838,689 | $ 4,838,689 |
| Application No. 7 10-07-C-00-RSW | $ - | $ - | $ - | $ 14,715 | $ 14,715 | $ 48,694,597 | $ 48,709,312 |
| Application No. 8 13-08-C-00-RSW | $ - | $ - | $ - | $ (284,419) | $ (284,419) | $ 45,522,899 | $ 45,238,480 |
| Application No. 9 18-09-C-00-RSW | $ - | $ - | $ - | $ - | $ - | $ 42,892,381 | $ 42,892,381 |
| Application No. 10 19-10-C-00-RSW | $ 1,956,775 | $ 1,956,775 | $ 1,956,775 | $ 1,956,775 | $ 7,827,100 | $ 24,133,820 | $ 31,960,920 |
| Application No. 11 24-11-C-00-RSW | $ - | $ - | $ 9,056,069 | $ 1,567,248 | $ 10,623,317 | $ - | $ 10,623,317 |
| Total Expenditures | $ 2,830,751 | $ 3,073,220 | $ 11,941,565 | $ 3,924,516 | $ 21,770,052 | $ 374,765,936 | $ 396,535,988 |

LEE COUNTY, FLORIDA

Notes to Schedule of Passenger Facility
Charges Collected and Expended

Year ended September 30, 2024

(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, 2024**

## *SECTION I – SUMMARY OF AUDITORS' RESULTS*

### Financial Statements

| | |
|---|---|
| Type of auditors' report issued? | Unmodified |
| Internal control over financial reporting: | |
| • Material weakness identified? | No |
| • Significant deficiency identified? | None Reported |
| Noncompliance material to the financial statements noted? | No |

### Passenger Facility Charge Program Section

| | |
|---|---|
| Internal control over major programs: | |
| • Material weakness identified? | No |
| • Significant deficiency 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, 2024**

## 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, 2024, and have issued our report thereon dated April 25, 2025.

## 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 April 25, 2025, should be considered in conjunction with this management letter.

## Prior Audit Findings

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

## Official Title and Legal Authority

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

**Property Assessed Clean Energy (PACE) Programs (Unaudited)**

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated in the County's geographical boundaries. A PACE program did not operate within the County's geographical boundaries during the fiscal year under audit.

**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 (Unaudited)**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7., Rules of the Auditor General, the Lee County Port Authority reported:

1. The total number of district employees compensated in the last pay period of the district's fiscal year as 405.
2. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 16.
3. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $34,572,239.
4. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $15,838,381.
5. 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. RSW RW 6/24 Pavement Rehab – Total expenditures $298,615.33
b. RSW BHS Enhancements – Total expenditures $212,950.80
c. RSW Terminal Expansion Gates D2/D4 – Total expenditures $7,801,484.47
d. RSW VCB Desc Terminal Improvements – Total expenditures $177,126.98

6. 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 $2,209,000.

**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, of fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

**Purpose of this Letter**

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

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Fort Myers, Florida
April 25, 2025

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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, 2024. 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, 2024.

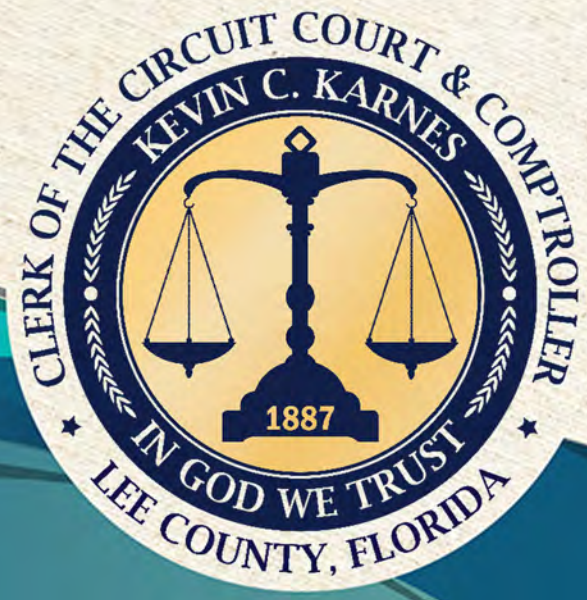
This report is intended solely for the information and use of the County and the Auditor General, State of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Fort Myers, Florida
April 25, 2025

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# Clerk of Circuit Court

Lee County, Florida

## Financial Statements

## Year Ended September 30, 2024

# 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, 2024, 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 for the Clerk as of September 30, 2024, 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 Matter*

As discussed in Note 1, the financial statements of the Clerk referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the financial statements are intended to present the financial position and 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, 2024, 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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***Responsibilities of Management for the Financial Statements***

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

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

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

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

***Required Supplementary Information***

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's basic financial statements. The combining 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 January 15, 2025, 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
January 15, 2025

# Financial Statements

CLERK OF CIRCUIT COURT
Lee County, Florida
BALANCE SHEET
As of September 30, 2024

| | General | Court Fees | Public Records Modernization | Child Support Enforcement | Total Governmental Funds |
|---|---|---|---|---|---|
| ASSETS | | | | | |
| Cash, cash equivalents and investments | $ 7,035,909 | $ 11,452,547 | $ 9,587,919 | $ 4,760,104 | $ 32,836,479 |
| Accounts receivable | 54 | 124 | - | - | 178 |
| Due from other governments | 3,610 | 95,867 | - | 29,904 | 129,381 |
| Due from Board of County Commissioners | 75,205 | 211 | - | - | 75,416 |
| Inventory | 48,977 | - | - | - | 48,977 |
| Total assets | 7,163,755 | 11,548,749 | 9,587,919 | 4,790,008 | 33,090,431 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | 347,379 | 210,924 | 1,430 | 73,193 | 632,926 |
| Accrued liabilities | 457,556 | 229,574 | 60,727 | 35,643 | 783,500 |
| Due to other governments | 548,893 | 3,722,776 | 33,461 | 16,792 | 4,321,922 |
| Due to Board of County Commissioners | 944,375 | 344,645 | - | - | 1,289,020 |
| Deposits | 4,757,151 | 7,040,276 | - | - | 11,797,427 |
| Unearned revenue | 108,401 | - | - | - | 108,401 |
| Other | - | 554 | - | - | 554 |
| Total liabilities | 7,163,755 | 11,548,749 | 95,618 | 125,628 | 18,933,750 |
| Fund Balances: | | | | | |
| Nonspendable | 48,977 | - | - | - | 48,977 |
| Restricted | - | - | 9,492,301 | - | 9,492,301 |
| Committed | - | - | - | 4,664,380 | 4,664,380 |
| Unassigned | (48,977) | - | - | - | (48,977) |
| Total fund balances | - | - | 9,492,301 | 4,664,380 | 14,156,681 |
| Total liabilities and fund balance | $ 7,163,755 | $ 11,548,749 | $ 9,587,919 | $ 4,790,008 | $ 33,090,431 |



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, 2024

| | General | Court Fees | Public Records Modernization | Child Support Enforcement | Total Governmental Funds |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Intergovernmental | $ 1,327,833 | $ 1,198,910 | $ - | $ 175,525 | $ 2,702,268 |
| Charges for services | 6,264,955 | 13,139,171 | 2,517,254 | 96 | 21,921,476 |
| Fines and forfeitures | - | 4,836,289 | - | - | 4,836,289 |
| Interest | 827,879 | 469,555 | 1,027,896 | 331,129 | 2,656,459 |
| Miscellaneous | 333,719 | 32,468 | - | - | 366,187 |
| Total revenues | 8,754,386 | 19,676,393 | 3,545,150 | 506,750 | 32,482,679 |
| EXPENDITURES | | | | | |
| General government | | | | | |
| Personal services | 18,522,938 | 12,799,097 | 2,734,812 | 104,815 | 34,161,662 |
| Operating | 4,525,019 | 401,936 | 2,540 | - | 4,929,495 |
| Capital outlay | 815,695 | - | - | - | 815,695 |
| Debt Service | | | | | |
| Principal retirement | 812,923 | - | - | - | 812,923 |
| Interest and fiscal charges | 31,599 | - | - | - | 31,599 |
| Total expenditures | 24,708,174 | 13,201,033 | 2,737,352 | 104,815 | 40,751,374 |
| Excess (deficiency) of revenues over (under) expenditures | (15,953,788) | 6,475,360 | 807,798 | 401,935 | (8,268,695) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Board of County Commissioners appropriations | 16,016,769 | - | - | - | 16,016,769 |
| Distribution of excess fees and appropriations to BoCC and other governmental units | (784,936) | (6,405,484) | - | - | (7,190,420) |
| Subscription based IT arrangement issuance | 721,955 | - | - | - | 721,955 |
| Total other financing sources (uses) | 15,953,788 | (6,405,484) | - | - | 9,548,304 |
| Net change in fund balances | - | 69,876 | 807,798 | 401,935 | 1,279,609 |
| Fund balances - beginning | - | (69,876) | 8,684,503 | 4,262,445 | 12,877,072 |
| Fund balances - ending | $ - | $ - | $ 9,492,301 | $ 4,664,380 | $ 14,156,681 |

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 BALANCE
BUDGET (Non-GAAP) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| REVENUES | | | | |
| Intergovernmental | $ 1,260,000 | $ 1,260,000 | $ 1,327,833 | $ 67,833 |
| Charges for services | 6,503,948 | 6,503,948 | 6,277,972 | (225,976) |
| Interest | 325,000 | 643,475 | 827,879 | 184,404 |
| Miscellaneous | 284,000 | 284,001 | 333,719 | 49,718 |
| Total revenues | 8,372,948 | 8,691,424 | 8,767,403 | 75,979 |
| EXPENDITURES | | | | |
| General government | | | | |
| Personal services | 18,245,645 | 18,500,013 | 18,522,938 | (22,925) |
| Operating | 4,169,071 | 5,991,740 | 4,525,019 | 1,466,721 |
| Capital outlay | 225,000 | 216,439 | 815,695 | (599,256) |
| Debt Service | | | | |
| Principal payments | - | - | 812,923 | (812,923) |
| Interest and fiscal charges | - | - | 31,599 | (31,599) |
| Total expenditures | 22,639,716 | 24,708,192 | 24,708,174 | 18 |
| Excess (deficiency) of revenues over (under) expenditures | (14,266,768) | (16,016,769) | (15,940,771) | 75,997 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Board of County Commissioners appropriations | 14,266,768 | 16,016,769 | 16,016,769 | - |
| Distribution of excess fess and appropriations to the Board of County Commissioners | - | - | (784,936) | (784,936) |
| Subscription based IT arrangement issuance | - | - | 721,955 | 721,955 |
| Total other financing sources (uses) | 14,266,768 | 16,016,769 | 15,953,788 | (62,981) |
| Net change in fund balance | - | - | 13,017 | (13,017) |
| Fund balances - beginning | - | - | 95,384 | (95,384) |
| Fund balances - ending | $ - | $ - | $ 108,401 | $ (108,401) |

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 BALANCE
BUDGET (Non-GAAP) AND ACTUAL
COURT FEES
For the Year Ended September 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| REVENUES | | | | |
| Intergovernmental | $ 483,642 | $ 709,445 | $ 1,129,034 | $ 419,589 |
| Charges for services | 10,603,285 | 10,601,063 | 13,139,171 | 2,538,108 |
| Fines and forfeitures | 3,317,288 | 3,317,288 | 4,836,289 | 1,519,001 |
| Interest | 419,754 | 419,754 | 469,555 | 49,801 |
| Miscellaneous | 2,328 | 4,550 | 32,468 | 27,918 |
| Total revenues | 14,826,297 | 15,052,100 | 19,606,517 | 4,554,417 |
| EXPENDITURES | | | | |
| General government | | | | |
| Personal services | 12,144,604 | 12,370,407 | 12,799,097 | (428,690) |
| Operating | 831,352 | 831,352 | 401,936 | 429,416 |
| Total expenditures | 12,975,956 | 13,201,759 | 13,201,033 | 726 |
| Excess (deficiency) of revenues over (under) expenditures | 1,850,341 | 1,850,341 | 6,405,484 | 4,555,143 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Distribution of excess fees and appropriations to other governmental units | (1,850,341) | (1,850,341) | (6,405,484) | (4,555,143) |
| Total other financing sources (uses) | (1,850,341) | (1,850,341) | (6,405,484) | (4,555,143) |
| Net change in fund balance | - | - | - | - |
| Fund balances - beginning | - | - | - | - |
| Fund balances - ending | $ - | $ - | $ - | $ - |

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 BALANCE
BUDGET AND ACTUAL
PUBLIC RECORDS MODERNIZATION FUND
For the Year Ended September 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| REVENUES | | | | |
| Charges for services | $ 2,175,000 | $ 2,175,000 | $ 2,517,254 | $ 342,254 |
| Interest | 200,000 | 200,000 | 1,027,896 | 827,896 |
| Total revenues | 2,375,000 | 2,375,000 | 3,545,150 | 1,170,150 |
| EXPENDITURES | | | | |
| General government | | | | |
| Personal services | 2,913,623 | 2,913,623 | 2,734,812 | 178,811 |
| Operating | - | 869,736 | 2,540 | 867,196 |
| Total expenditures | 2,913,623 | 3,783,359 | 2,737,352 | 1,046,007 |
| Excess (deficiency) of revenues over (under) expenditures | (538,623) | (1,408,359) | 807,798 | 2,216,157 |
| Net change in fund balance | (538,623) | (1,408,359) | 807,798 | 2,216,157 |
| Fund balances - beginning | 538,623 | 1,408,359 | 8,684,503 | 7,276,144 |
| Fund balances - ending | $ - | $ - | $ 9,492,301 | $ 9,492,301 |

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 BALANCE
BUDGET AND ACTUAL
CHILD SUPPORT ENFORCEMENT
For the Year Ended September 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| REVENUES | | | | |
| Intergovernmental | $ 200,000 | $ 200,000 | $ 175,525 | $ (24,475) |
| Charges for services | - | - | 96 | 96 |
| Interest | 8,000 | 8,000 | 331,129 | 323,129 |
| Total revenues | 208,000 | 208,000 | 506,750 | 298,750 |
| EXPENDITURES | | | | |
| General government | | | | |
| Personal Services | 2,063,280 | 2,063,280 | 104,815 | 1,958,465 |
| Total expenditures | 2,063,280 | 2,063,280 | 104,815 | 1,958,465 |
| Excess (deficiency) of revenues over (under) expenditures | (1,855,280) | (1,855,280) | 401,935 | 2,257,215 |
| Net change in fund balance | (1,855,280) | (1,855,280) | 401,935 | 2,257,215 |
| Fund balances - beginning | 1,855,280 | 1,855,280 | 4,262,445 | 2,407,165 |
| Fund balances - ending | $ - | $ - | $ 4,664,380 | $ 4,664,380 |

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, 2024

| | Custodial Funds |
|---|---|
| ASSETS | |
| Cash and cash equivalents | $ 35,331,594 |
| Total assets | 35,331,594 |
| LIABILITIES AND NET POSITION | |
| Liabilities | |
| Accounts payable | 433,217 |
| Due to other governments | 4,744,894 |
| Total liabilities | 5,178,111 |
| Fiduciary Net Position | |
| Restricted for: | |
| Individuals, organizations, and other governments | 30,153,483 |
| Total fiduciary net position | 30,153,483 |
| Total liabilities and fiduciary net position | $ 35,331,594 |

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, 2024

| | Custodial Funds |
|---|---|
| ADDITIONS | |
| Fees/Fines collected for other governments | $ 189,340,075 |
| Registry and other deposits collected | 59,686,775 |
| Total additions | 249,026,850 |
| | |
| DEDUCTIONS | |
| Fees/Fines disbursed to other governments | 189,340,075 |
| Registry and other deposits disbursed | 54,847,800 |
| Total deductions | 244,187,875 |
| | |
| Change in fiduciary net position | 4,838,975 |
| Fiduciary net position - beginning of year | 25,314,508 |
| Fiduciary net position - ending of year | $ 30,153,483 |

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, 2025.

### *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. Starting May 6, 2024, legislation allows interest earned in the Clerk's Fine and Forfeiture Fund (Court Fees Fund) to be transferred to the *PRM* Fund to support court-related operations and improvements.

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 27.9% of Florida PRIME's portfolio at September 30, 2024. In addition, the Clerk participates in the Florida Trust investment pool, which is measured at net asset value per share.

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, 2024, 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 artwork, equipment, software, and intangible right-to-use assets. 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 accrue vacation and wellness leave as benefits. Vacation leave is earned bi-weekly with a maximum limit of 500 hours, and any excess is reset at the end of each year. New hires begin accruing vacation leave after their first pay period. Wellness leave, which combines personal and sick leave, has a 480-hour cap. Upon separation, employees hired before December 31, 2023, may receive a payout for unused leave based on years of service and proper notice, with a payout schedule ranging from 10% for 0-5 years of service to 100% for 21+ years. Employees who retire or were enrolled in DROP before 2024 are eligible for a full payout. For employees hired after January 1, 2024, only vacation leave is eligible for payout, with a pro-rated percentage up to 240 hours based on years of service. Wellness leave is forfeited, and other forms of leave, like compensatory or birthday leave, are also forfeited upon separation, regardless of hire date. 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.

## 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 | 13,017 |
| Net Change in fund balance non-GAAP | $ 13,017 |

*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, 2024, the Clerk had the following deposits, investments, and maturities:

| Investment | Maturities | Fair Value | Rating |
|---|---|---|---|
| Cash on Hand | N/A | $ 1,855,357 | N/A |
| Demand Deposits | N/A | 27,322,105 | N/A |
| Local Government Investment Pool | | | |
| Florida Trust Day to Day Fund | 10.1 days | 1,045,275 | AAAm |
| Florida PRIME | 39 days | 37,945,336 | AAAm |
| Total Cash, Cash Equivalents and Investments | | $ 68,168,073 | |

| Reconciliation: | |
|---|---|
| General Fund | $ 7,035,909 |
| Court Fees | 11,452,547 |
| Public Records Modernization | 9,587,919 |
| Child Support Enforcement | 4,760,104 |
| Custodial Funds | 35,331,594 |
| | $ 68,168,073 |

Additional information for the Florida Trust investment, measured at NAV or its equivalent:

| | Fair Value | Unfunded Commitments | Redemption Frequency | Redemption Notice Period | Redemption Restrictions |
|---|---|---|---|---|---|
| Florida Trust Day to Day Fund | $1,045,275 | - | Daily | 11:00am EST (same day) | None |

*Custodial Credit Risk*

At September 30, 2024, 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, 2024 was 39 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, 2024 was 74 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 asset activity for the fiscal year ended September 30, 2024, was as follows:

| *Governmental Activities:* | Beginning Balance | 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 | 4,412,183 | 93,740 | (174,321) | 4,331,602 |
| Software | 11,320,418 | - | - | 11,320,418 |
| Intangible subscription based IT arrangement | 3,053,307 | 721,955 | (624,274) | 3,150,988 |
| Total capital assets being depreciated/amortized | 18,785,908 | 815,695 | (798,595) | 18,803,008 |
| Less accumulated depreciation/amortized for: | | | | |
| Machinery and equipment | 2,593,543 | 279,270 | (174,321) | 2,698,492 |
| Software | 11,078,739 | 181,920 | - | 11,260,659 |
| Intangible subscription based IT arrangement | 812,630 | 1,066,870 | (573,409) | 1,306,091 |
| Total accumulated depreciation/amortized | 14,484,912 | 1,528,060 | (747,730) | 15,265,242 |
| Total capital assets being depreciated/amortized, net | 4,300,996 | (712,365) | (50,865) | 3,537,766 |
| Total governmental activities capital assets, net | $ 4,301,996 | $ (712,365) | $ (50,865) | $ 3,538,766 |

## 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, 2024, 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, 2024, 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, 2024, 2023, and 2022 were $3,487,467, $3,118,856 and $2,420,041 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, 2024:

| | Beginning Balance | Additions | Reductions | Ending Balance |
|---|---|---|---|---|
| Compensated Absences | $ 3,403,352 | $ 1,778,442 | $ (2,756,390) | $ 2,425,404 |
| Subscription based IT arrangements payable | 1,313,398 | 721,955 | (863,788) | 1,171,565 |
| Total | $ 4,716,750 | $ 2,500,397 | $ (3,620,178) | $ 3,596,969 |

Of these liabilities, approximately $323,345 compensated absences and $893,576 of SBITA is expected to be paid during the fiscal year ended September 30, 2025. 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. Detailed information about the Clerk's SBITA's can be found in County's annual comprehensive financial report.

For the year ending September 30, 2024, the Clerk entered into a single SBITA with a total value of $721,955. Additionally, the Clerk made principal payments totaling $812,923 on SBITAs during the same period.

## 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, 2024, the Clerk's General Fund reported a nonspendable fund balance of $48,977 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 $9,492,301 which includes $5,910,427 for public records modernization, $3,233,809 for court technology and $348,065 for court operations.

*Committed* for 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, 2024, the Clerk's Child Support Enforcement special revenue fund reported committed fund balance of $4,664,380 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, 2024, 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, 2024, the Clerk's General Fund reported a negative unassigned fund balance of $48,977 since all excess fees are returned to the County and the General Fund reports a nonspendable fund balance for its inventory.




# Supplementary Financial Information

CLERK OF CIRCUIT COURT
Lee County, Florida
COMBINING STATEMENT OF FIDUCIARY NET POSITION - ALL CUSTODIAL FUNDS
As of September 30, 2024

| | Fines and Forfeitures | Jury and Witness | Delinquent Tax | Registry of Court | Cash Bonds and Deposits | Total All Custodial Funds |
|---|---|---|---|---|---|---|
| ASSETS | | | | | | |
| Cash and cash equivalents | $ 4,744,894 | $ 6,473 | $ 20,209,682 | $ 9,550,156 | $ 820,389 | $ 35,331,594 |
| Total assets | 4,744,894 | 6,473 | 20,209,682 | 9,550,156 | 820,389 | 35,331,594 |
| LIABILITIES AND FIDUCIARY NET POSITION | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | - | - | 39,583 | 382,536 | 11,098 | 433,217 |
| Due to other governments | 4,744,894 | - | - | - | - | 4,744,894 |
| Total liabilities | 4,744,894 | - | 39,583 | 382,536 | 11,098 | 5,178,111 |
| Fiduciary Net Position | | | | | | |
| Restricted for: | | | | | | |
| Individuals, organizations, and other governments | - | 6,473 | 20,170,099 | 9,167,620 | 809,291 | 30,153,483 |
| Total fiduciary net position | - | 6,473 | 20,170,099 | 9,167,620 | 809,291 | 30,153,483 |
| Total liabilities and fiduciary net position | $ 4,744,894 | $ 6,473 | $ 20,209,682 | $ 9,550,156 | $ 820,389 | $ 35,331,594 |

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, 2024

| | 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 | $ 189,340,075 | $ - | $ - | $ - | $ - | $ 189,340,075 |
| Registry and other deposits collected | - | 85,000 | 25,950,203 | 31,155,752 | 2,495,820 | 59,686,775 |
| Total Additions | 189,340,075 | 85,000 | 25,950,203 | 31,155,752 | 2,495,820 | 249,026,850 |
| DEDUCTIONS | | | | | | |
| Fees/Fines disbursed to other governments | 189,340,075 | - | - | - | - | 189,340,075 |
| Registry and other deposits disbursed | - | 98,533 | 18,303,167 | 33,848,611 | 2,597,489 | 54,847,800 |
| Total Deductions | 189,340,075 | 98,533 | 18,303,167 | 33,848,611 | 2,597,489 | 244,187,875 |
| Change in Fiduciary Net Position | - | (13,533) | 7,647,036 | (2,692,859) | (101,669) | 4,838,975 |
| Fiduciary net position - beginning of Year | - | 20,006 | 12,523,063 | 11,860,479 | 910,960 | 25,314,508 |
| Fiduciary net position - ending of Year | $ - | $ 6,473 | $ 20,170,099 | $ 9,167,620 | $ 809,291 | $ 30,153,483 |

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 Lee County, Florida, Clerk of Circuit Court (the Clerk), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated January 15, 2025.

## 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
January 15, 2025

CliftonLarsonAllen LLP
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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 fiscal year ended September 30, 2024, and have issued our report thereon dated January 15, 2025.

## Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

## Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 15, 2025 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 Kevin Karnes
Clerk of Circuit Court
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 fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings

**Purpose of This Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the 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
January 15, 2025

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# INDEPENDENT ACCOUNTANTS' REPORT

Honorable Kevin Karnes
Clerk of Circuit Court
Lee County, Florida

We have examined Lee County, Florida, Clerk of 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, 2024. Management of the Clerk is responsible for the Clerk's compliance with the specified requirements. Our responsibility is to express an opinion on the Clerk's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our 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 clerks of the courts performance standards and budgets during the year ended September 30, 2024.

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
January 15, 2025

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# LEE COUNTY, FLORIDA
# PROPERTY APPRAISER

## FINANCIAL STATEMENTS

## YEAR ENDED SEPTEMBER 30, 2024



CPAs | CONSULTANTS | WEALTH ADVISORS

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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, 2024, 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, 2024, 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, 2024 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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***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 December 9, 2024, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Fort Myers, Florida
December 9, 2024

**LEE COUNTY, FLORIDA**
**PROPERTY APPRAISER**
**BALANCE SHEET – GOVERNMENTAL FUNDS**
**SEPTEMBER 30, 2024**

| | General Fund | GIS Fund | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and Cash Equivalents | $ 1,814,843 | $ 334,761 | $ 2,149,604 |
| Total Assets | $ 1,814,843 | $ 334,761 | $ 2,149,604 |
| **LIABILITIES AND FUND BALANCE** | | | |
| **LIABILITIES** | | | |
| Accounts Payable | $ 18,909 | $ 38,311 | $ 57,220 |
| Accrued and Other Liabilities | 168,591 | 24,595 | 193,186 |
| Due to Other Governments | 213,226 | - | 213,226 |
| Due to the Board of County Commissioners | 1,414,117 | 271,855 | 1,685,972 |
| Total Liabilities | 1,814,843 | 334,761 | 2,149,604 |
| **FUND BALANCE** | - | - | - |
| Total Liabilities and Fund Balance | $ 1,814,843 | $ 334,761 | $ 2,149,604 |

*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, 2024**

| | General Fund | GIS Fund | Total |
|---|---|---|---|
| **REVENUES** | | | |
| Intergovernmental | $ 2,512,512 | $ - | $ 2,512,512 |
| Charges for Services | 500,647 | - | 500,647 |
| Interest Earned | 61,498 | - | 61,498 |
| Miscellaneous | 272 | - | 272 |
| Total Revenues | 3,074,929 | - | 3,074,929 |
| **EXPENDITURES** | | | |
| General Government: | | | |
| Personal Services | 9,529,415 | 1,299,971 | 10,829,386 |
| Operating Expenditures | 1,853,630 | 65,503 | 1,919,133 |
| Capital Outlay | 112,091 | 646,828 | 758,919 |
| Debt Service - Principal | 42,908 | 498,227 | 541,135 |
| Debt Service - Interest | 2,683 | 50,813 | 53,496 |
| Total Expenditures | 11,540,727 | 2,561,342 | 14,102,069 |
| **DEFICIENCY OF REVENUES UNDER EXPENDITURES** | (8,465,798) | (2,561,342) | (11,027,140) |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Lease Issuance | 92,960 | - | 92,960 |
| Subscription-Based Information Technology Technology Arrangement Issuance | - | 617,738 | 617,738 |
| Board of County Commissioners Fees and Appropriations | 9,994,826 | 2,215,459 | 12,210,285 |
| Distribution of Excess Fees and Appropriations to the Board of County Commissioners | (1,408,762) | (271,855) | (1,680,617) |
| Distribution of Excess Fees to Other Taxing Districts | (213,226) | - | (213,226) |
| Total Other Financing Sources | 8,465,798 | 2,561,342 | 10,934,180 |
| **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, 2024**

| | Budget | | | Variance with |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 1,667,185 | $ 1,667,185 | $ 1,873,344 | $ 206,159 |
| Interest Earned | - | - | 61,498 | 61,498 |
| Miscellaneous | - | - | 272 | 272 |
| Total Revenues | 1,667,185 | 1,667,185 | 1,935,114 | 267,929 |
| **EXPENDITURES** | | | | |
| General Government: | | | | |
| Personal Services | 10,303,328 | 10,306,813 | 9,162,650 | 1,144,163 |
| Operating Expenditures | 1,341,317 | 1,336,067 | 1,080,580 | 255,487 |
| Capital Outlay | - | 19,131 | 19,131 | - |
| Debt Service - Principal | - | - | 42,908 | (42,908) |
| Debt Service - Interest | - | - | 2,683 | (2,683) |
| Total Expenditures | 11,644,645 | 11,662,011 | 10,307,952 | 1,354,059 |
| **DEFICIENCY OF REVENUES UNDER EXPENDITURES** | (9,977,460) | (9,994,826) | (8,372,838) | 1,621,988 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Board of County Commissioners Fees and Appropriations | 9,977,460 | 9,994,826 | 9,994,826 | - |
| Distribution of Excess Fees and Appropriations to the Board of County Commissioners | - | - | (1,408,762) | (1,408,762) |
| Distribution of Excess Fees to Other Taxing Districts | - | - | (213,226) | (213,226) |
| Total Other Financing Sources | 9,977,460 | 9,994,826 | 8,372,838 | (1,621,988) |
| **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 (NON-GAAP BUDGETARY BASIS)**
**YEAR ENDED SEPTEMBER 30, 2024**

| | Budget | | | Variance with |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | $ - | $ - | $ - | $ - |
| **EXPENDITURES** | | | | |
| General Government: | | | | |
| Personal Services | 1,551,473 | 1,551,473 | 1,299,971 | 251,502 |
| Operating Expenditures | 631,986 | 631,986 | 65,503 | 566,483 |
| Capital Outlay | 32,000 | 32,000 | 29,090 | 2,910 |
| Debt Service - Principal | - | - | 498,227 | (498,227) |
| Debt Service - Interest | - | - | 50,813 | (50,813) |
| Total Expenditures | 2,215,459 | 2,215,459 | 1,943,604 | 271,855 |
| **DEFICIENCY OF REVENUES UNDER EXPENDITURES** | (2,215,459) | (2,215,459) | (1,943,604) | 271,855 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Board of County Commissioners Fees and Appropriations | 2,215,459 | 2,215,459 | 2,215,459 | - |
| Distribution of Excess Fees and Appropriations to the Board of County Commissioners | - | - | (271,855) | (271,855) |
| Total Other Financing Sources | 2,215,459 | 2,215,459 | 1,943,604 | (271,855) |
| **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.

## 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.

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.

## NOTE 2 BUDGETARY PROCESS (CONTINUED)

The Property Appraiser's General Fund budget is prepared based on Florida Department of Revenue Rules, which differs from accounting principles generally accepted in the United States of America (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.

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, 2024, 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) | $ 1,935,114 | $ 10,307,952 | $ 8,372,838 |
| Charges for Services Not Budgeted (TRIM) | 499,645 | - | - |
| Operating Expenditures Not Budgeted (TRIM) | - | 499,645 | - |
| Intergovernmental Revenue Not Budgeted (Cost Recovery) | 523,950 | - | - |
| Recovery) | - | - | - |
| Operating Expenditures Not Budgeted (Cost Recovery) | - | 157,185 | - |
| Personnel Services Not Budgeted (Cost Recovery) | - | 366,765 | - |
| Intergovernmental Revenue Not Budgeted (In-kind Grant Contributions) | 116,220 | - | - |
| Operating Expenditures Not Budgeted (In-kind Grant Contributions) | - | 116,220 | - |
| Lease Transactions Not Budgeted | - | 92,960 | 92,960 |
| Total GAAP Basis | $ 3,074,929 | $ 11,540,727 | $ 8,465,798 |

The GIS Fund actual results of operations in the statement of revenues, expenditures, and changes in fund balance – budget to actual – GIS 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, 2024, 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) | $ - | $ 1,943,604 | $ 1,943,604 |
| Subscription-Based Information Technology Arrangement Transaction Not Budgeted | - | 617,738 | 617,738 |
| Total GAAP Basis | $ - | $ 2,561,342 | $ 2,561,342 |

## NOTE 3 CASH

At September 30, 2024, the carrying value of the Property Appraiser's cash was as follows:

| Type | Carrying Value |
|---|---|
| Cash on Hand | $ 1,000 |
| Demand Deposits | 2,148,604 |
| Total Cash | $ 2,149,604 |

### Custodial Credit Risk

At September 30, 2024, 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, 2023 | Additions | Retirements | September 30, 2024 |
|---|---|---|---|---|
| Compensated Absences | $ 586,954 | $ 529,379 | $ (578,768) | $ 537,565 |

Substantially all the balance outstanding at September 30, 2024 is expected to be paid during the fiscal year ending September 30, 2025. 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 Government Accounting Standards Board (GASB) Statement No. 87 – *Leases*. Detailed information about the Property Appraiser's leases can be found in the County's 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, 2024, the Property Appraiser entered into two new leases in the amount of $92,960. During the year ended September 30, 2024, the Property Appraiser's payment of principal on leases totaled $42,908.

## 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 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, 2024, the Property Appraiser entered into one new SBITA in the amount of $617,738. During the year ended September 30, 2024, the Property Appraiser's payment of principal on SBITAs totaled $498,227.

## 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 multiemployer 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, 2024, 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, 2024, 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 $1,152,778 for the year ended September 30, 2024. 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 by the Property Appraiser during the year ended September 30, 2024.

## 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, 2024, the Property Appraiser paid $2,069,141 to the Board of County Commissioners for health, life, dental and disability coverage into the risk management program. The Board of County Commissioners paid $67,984 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, 2024.

## 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, 2024, 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 December 9, 2024.

## 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
December 9, 2024

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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, 2024, and have issued our report thereon dated December 9, 2024.

## 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 December 9, 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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**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

**CliftonLarsonAllen LLP**

Fort Myers, Florida
December 9, 2024

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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, 2024. 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, 2024.

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
December 9, 2024

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# LEE COUNTY, FLORIDA
# SHERIFF

## FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

## YEAR ENDED SEPTEMBER 30, 2024



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, 2024, 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, 2024, 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 Matter*

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, 2024, 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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***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 April 23, 2025, 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
April 23, 2025

## FINANCIAL STATEMENTS

# LEE COUNTY, FLORIDA
# SHERIFF
# BALANCE SHEET – GOVERNMENTAL FUNDS
# SEPTEMBER 30, 2024

| | General Fund | Grants Fund | Off-Duty Detail Fund | Canteen Fund | Forfeitures Fund | Total |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| Cash | $ 16,993,636 | $ 368,758 | $ - | $ 512,200 | $ 775,052 | $ 18,649,646 |
| Receivables | 1,065,551 | 240,738 | 189,167 | 452,378 | - | 1,947,834 |
| Due from Other Funds | 128,160 | - | - | - | - | 128,160 |
| Due from Lee County, Florida, Board of County Commissioners | - | 21,171 | 43,619 | - | - | 64,790 |
| Due from Other Governmental Units | - | 115,649 | - | - | - | 115,649 |
| Total Assets | $ 18,187,347 | $ 746,316 | $ 232,786 | $ 964,578 | $ 775,052 | $ 20,906,079 |
| **LIABILITIES AND FUND BALANCE** | | | | | | |
| **LIABILITIES** | | | | | | |
| Contracts, Claims, and Accounts Payable | $ 8,044,141 | $ 5,698 | $ 82 | $ 109,264 | $ 2,724 | $ 8,161,909 |
| Accrued Liabilities | 8,395,986 | - | 104,544 | - | - | 8,500,530 |
| Due to Other Funds | - | - | 128,160 | - | - | 128,160 |
| Due to Other Governmental Units | - | - | - | - | 5,000 | 5,000 |
| Due to Lee County, Florida, Board of County Commissioners | 1,437,714 | - | - | - | 767,328 | 2,205,042 |
| Due to Individuals | 309,506 | - | - | - | - | 309,506 |
| Unearned Revenue | - | 495,106 | - | - | - | 495,106 |
| Total Liabilities | 18,187,347 | 500,804 | 232,786 | 109,264 | 775,052 | 19,805,253 |
| **FUND BALANCE** | | | | | | |
| Restricted for: | | | | | | |
| Inmate Welfare | - | - | - | 855,314 | - | 855,314 |
| Public Safety | - | 245,512 | - | - | - | 245,512 |
| Total Fund Balance | - | 245,512 | - | 855,314 | - | 1,100,826 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance | $ 18,187,347 | $ 746,316 | $ 232,786 | $ 964,578 | $ 775,052 | $ 20,906,079 |

*See accompanying Notes to Financial Statements.*

**LEE COUNTY, FLORIDA**
**SHERIFF**
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS**
**YEAR ENDED SEPTEMBER 30, 2024**

| | General Fund | Grants Fund | Off-Duty Detail Fund | Canteen Fund | Forfeitures Fund | Total |
|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | |
| Intergovernmental | $ 20,826 | $ 17,539,875 | $ - | $ - | $ 44,557 | $ 17,605,258 |
| Charges for Services | 1,229,105 | 102,121 | 3,987,354 | 3,912,215 | - | 9,230,795 |
| Investment Earnings | 1,197,135 | - | - | - | - | 1,197,135 |
| Miscellaneous Revenues | - | 4,050 | - | - | - | 4,050 |
| Total Revenues | 2,447,066 | 17,646,046 | 3,987,354 | 3,912,215 | 44,557 | 28,037,238 |
| **EXPENDITURES** | | | | | | |
| General Government | 13,579,365 | - | - | - | - | 13,579,365 |
| Public Safety | 266,483,144 | 11,331,215 | 3,842,805 | 3,697,464 | 44,557 | 285,399,185 |
| Debt Service: | | | | | | |
| Principal | 2,333,530 | - | - | - | - | 2,333,530 |
| Interest and Fiscal Charges | 456,156 | - | - | - | - | 456,156 |
| Capital Outlay | 23,854,589 | 642,877 | 144,549 | 173,564 | - | 24,815,579 |
| Total Expenditures | 306,706,784 | 11,974,092 | 3,987,354 | 3,871,028 | 44,557 | 326,583,815 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | (304,259,718) | 5,671,954 | - | 41,187 | - | (298,546,577) |
| **OTHER FINANCING SOURCES (USES)** | | | | | | |
| Proceeds from Sale of Capital Assets | 1,508,007 | - | - | - | - | 1,508,007 |
| Leases | 1,668,667 | - | - | - | - | 1,668,667 |
| Subscription-Based Information Technology Arrangements | 2,836,394 | - | - | - | - | 2,836,394 |
| Finance Purchase Obligations | 6,097,924 | | | | | 6,097,924 |
| Lee County, Florida, Board of County Commissioners Appropriations | 293,504,372 | 455,000 | - | - | - | 293,959,372 |
| Distribution of Excess Appropriations to the Lee County, Florida, Board of County Commissioners | (1,355,646) | - | - | - | - | (1,355,646) |
| Transfers Out | - | (5,048,526) | - | - | - | (5,048,526) |
| Total Other Financing Sources (Uses) | 304,259,718 | (4,593,526) | - | - | - | 299,666,192 |
| **NET CHANGE IN FUND BALANCE** | - | 1,078,428 | - | 41,187 | - | 1,119,615 |
| Fund Balance - Beginning of Year | - | (832,916) | - | 814,127 | - | (18,789) |
| **FUND BALANCE - END OF YEAR** | $ - | $ 245,512 | $ - | $ 855,314 | $ - | $ 1,100,826 |

*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, 2024

| | Budget | | | Variance with Final |
|---|---|---|---|---|
| | Original | Final | Actual | Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ - | $ 20,826 | $ 20,826 | $ - |
| Charges for Services | - | 1,229,105 | 1,229,105 | - |
| Investment Earnings | - | 1,197,135 | 1,197,135 | - |
| Total Revenues | - | 2,447,066 | 2,447,066 | - |
| **EXPENDITURES** | | | | |
| General Government: | | | | |
| Personnel Services | 1,384,422 | 13,369,351 | 13,368,936 | (415) |
| Operating | 267,353 | 213,011 | 210,429 | (2,582) |
| Public Safety: | | | | |
| Personnel Services | 210,838,308 | 211,631,991 | 211,559,771 | (72,220) |
| Operating | 50,957,305 | 55,640,934 | 54,923,373 | (717,561) |
| Debt Service | 746,353 | 2,155,223 | 2,789,686 | 634,463 |
| Capital Outlay | 700,000 | 13,251,799 | 23,854,589 | 10,602,790 |
| Total Expenditures | 264,893,741 | 296,262,309 | 306,706,784 | 10,444,475 |
| **DEFICIENCY OF REVENUES UNDER EXPENDITURES** | (264,893,741) | (293,815,243) | (304,259,718) | (10,444,475) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Proceeds from Sale of Capital Assets | - | 1,508,007 | 1,508,007 | - |
| Leases | - | - | 1,668,667 | 1,668,667 |
| Subscription-Based Information Technology Arrangements | - | - | 2,836,394 | 2,836,394 |
| Finance Purchase Obligations | - | - | 6,097,924 | 6,097,924 |
| Lee County, Florida, Board of County Commissioners Appropriations | 264,893,741 | 293,504,372 | 293,504,372 | - |
| Distribution of Excess Appropriations to the Lee County, Florida, Board of County Commissioners | - | (533,490) | (1,355,646) | (822,156) |
| Total Other Financing Sources (Uses) | 264,893,741 | 294,478,889 | 304,259,718 | 9,780,829 |
| **NET CHANGES IN FUND BALANCE** | - | 663,646 | - | (663,646) |
| Fund Balance - Beginning of Year | - | - | - | - |
| **FUND BALANCE - END OF YEAR** | $ - | $ 663,646 | $ - | $ (663,646) |

*See accompanying Notes to Financial Statements.*

**LEE COUNTY, FLORIDA**
**SHERIFF**
**STATEMENT OF NET POSITION – INTERNAL SERVICE FUND**
**SEPTEMBER 30, 2024**

| | |
|---|---|
| **ASSETS** | |
| Current Assets: | |
| Cash | $ 22,851,788 |
| Total Current Assets | 22,851,788 |
| Noncurrent Assets: | |
| Right-to-Use Asset, Net | 881,479 |
| Total Noncurrent Assets | 881,479 |
| Total Assets | 23,733,267 |
| **LIABILITIES** | |
| Current Liabilities: | |
| Accounts Payable | 171,091 |
| Self-Insurance Claims Payable | 3,210,197 |
| Lease Liability | 67,915 |
| Total Current Liabilities | 3,449,203 |
| Noncurrent Liabilities: | |
| Lease Liability, Net of Current Portion | 871,724 |
| Total Noncurrent Liabilities | 871,724 |
| Total Liabilities | 4,320,927 |
| **NET POSITION** | |
| Unrestricted | 19,412,340 |
| Total Net Position | $ 19,412,340 |

*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, 2024**

| | |
|---|---|
| **OPERATING REVENUES** | |
| Charges for Services | $ 41,472,133 |
| **OPERATING EXPENSES** | |
| Claims and Claims Expenses | 38,093,738 |
| Reinsurance Premiums | 3,641,097 |
| Contractual Services and Expense | 1,559,647 |
| Operating Expenses | 97,659 |
| Medical, Pharmacy Supplies/Dispensing | 167,195 |
| Administrative and Other Expenses | 1,379,920 |
| Amortization | 94,596 |
| Total Operating Expenses | 45,033,852 |
| **OPERATING LOSS** | (3,561,719) |
| **NONOPERATING REVENUES (EXPENSES)** | |
| Interest Income | 553,592 |
| Interest Expense | (38,077) |
| Total Nonoperating Revenues (Expenses) | 515,515 |
| **CHANGE IN NET POSITION** | (3,046,204) |
| Net Position - Beginning of Year | 22,458,544 |
| **NET POSITION - END OF YEAR** | $ 19,412,340 |

*See accompanying Notes to Financial Statements.*

**LEE COUNTY, FLORIDA**
**SHERIFF**
**STATEMENT OF CASH FLOWS – INTERNAL SERVICE FUND**
**YEAR ENDED SEPTEMBER 30, 2024**

| | |
|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | |
| Cash Payments for Claims and Claim-Related Services | $ (37,549,806) |
| Cash Payments for Reinsurance Premiums | (3,641,097) |
| Cash Payments for Administrative Services and Supplies | (1,379,920) |
| Cash Paid for Contractual Services, Operating Supplies, and Expenses | (1,824,500) |
| Cash Received from Other Funds for Services | 41,472,133 |
| Net Cash Used by Operating Activities | (2,923,190) |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | |
| Principal Payments on Leases | (64,612) |
| Interest Payments on Leases | (38,077) |
| Net Cash Used by Capital and Related Financing Activities | (102,689) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | |
| Interest Income and Other | 553,592 |
| Net Cash Provided by Investing Activities | 553,592 |
| **NET DECREASE IN CASH AND CASH EQUIVALENTS** | (2,472,287) |
| Cash and Cash Equivalents - Beginning of Year | 25,324,075 |
| **CASH AND CASH EQUIVALENTS - END OF YEAR** | $ 22,851,788 |
| **RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES** | |
| Operating Loss | $ (3,561,719) |
| Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities: | |
| Amortization Expense | 94,596 |
| Increase in Self-Insurance Claims Payable | 540,617 |
| Increase in Accounts Payable | 3,316 |
| Net Cash Used by Operating Activities | $ (2,923,190) |

*See accompanying Notes to Financial Statements.*

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Reporting Entity

The Lee County, Florida Sheriff (the 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 Audits*, 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, 2024 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 $41,472,133. Operating expenses include $45,033,852. 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, 2024.

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 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, 2024, 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 | 41,499,334 | N/A |
| Total Cash | $ 41,501,434 | |

### Custodial Credit Risk

At September 30, 2024, 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, 2024 or during the year ended September 30, 2024.

## 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, 2023 | Additions Adjustments | Deletions | Balance September 30, 2024 |
|---|---|---|---|---|
| Capital Assets Not Being Depreciated: | | | | |
| Construction in Progress | $ 1,719,130 | $ 252,740 | $ (1,445,614) | $ 526,256 |
| Total Capital Assets Not Being Depreciated | 1,719,130 | 252,740 | (1,445,614) | 526,256 |
| Capital Assets Depreciated: | | | | |
| Machinery and Equipment | 90,608,550 | 22,097,908 | (5,862,115) | 106,844,343 |
| Right-to-Use Leased Building | 1,637,846 | 1,668,667 | (817,769) | 2,488,744 |
| Right-to-Use Subscription-Based Information Technology Arrangement | 962,480 | 2,836,394 | (1,056,690) | 2,742,184 |
| Total Capital Assets Depreciated | 93,208,876 | 26,602,969 | (7,736,574) | 112,075,271 |
| Less: Accumulated Depreciation and Amortization | | | | |
| Machinery and Equipment | (50,304,857) | (11,997,191) | 4,593,841 | (57,708,207) |
| Right-to-Use Leased Building | (251,158) | (320,801) | 134,840 | (437,119) |
| Right-to-Use Subscription-Based Information Technology Arrangement | (16,860) | (591,750) | - | (608,610) |
| Total Accumulated Depreciation and Amortization | (50,572,875) | (12,909,742) | 4,728,681 | (58,753,936) |
| Total Depreciable Capital Assets, Net | 42,636,001 | 13,693,227 | (3,007,893) | 53,321,335 |
| Total Capital Assets, Net | $ 44,355,131 | $ 13,945,967 | $ (4,453,507) | $ 53,847,591 |

## 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, 2023 | Additions Adjustments | Deletions | Balance September 30, 2024 |
|---|---|---|---|---|
| Internal Service Fund: | | | | |
| Capital Assets Amortized: | | | | |
| Right-to-Use Leased Building | $ 812,014 | $ 299,397 | $ - | $ 1,111,411 |
| Total Capital Assets Amortized | 812,014 | 299,397 | - | 1,111,411 |
| Less: Accumulated Amortization | | | | |
| Right-to-Use Leased Building | (135,336) | (94,596) | - | (229,932) |
| Total Accumulated Amortization | (135,336) | (94,596) | - | (229,932) |
| Total Depreciable Capital Assets, Net | 676,678 | 204,801 | - | 881,479 |
| Total Internal Service Fund Capital Assets, Net | $ 676,678 | $ 204,801 | $ - | $ 881,479 |

## 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, 2023 | Additions | Retirements/ Adjustments | Balance September 30, 2024 |
|---|---|---|---|---|
| Financed Purchase Obligations | $ 5,297,579 | $ 6,097,924 | $ (1,786,728) | $ 9,608,775 |
| Compensated Absences | 19,743,921 | 11,376,217 | (9,866,363) | 21,253,775 |
| Leases Payable | 1,360,979 | 1,968,064 | (347,873) | 2,981,170 |
| Subscription-Based Information Technology Arrangements Payable | 742,896 | 2,836,394 | (622,018) | 2,957,272 |
| Total | $ 27,145,375 | $ 22,278,599 | $ (12,622,982) | $ 36,800,992 |

Of these liabilities, $1,838,574 of financed purchase obligations, $308,970 of leases payable, $1,088,942 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, 2024:

| Description | Amount |
|---|---|
| $4,022,208 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. | $ 4,022,208 |
| $5,586,567 financed purchase obligation for the purchase of equipment of $6,097,924. The purchase agreement is payable in ten (10) annual payments of $746,353, including interest at a fixed rate of 3.85% beginning January 5, 2024. Final payment due on January 5, 2033. | $ 5,586,567 |
| Total | $ 9,608,775 |

The annual debt service requirements at September 30, 2024 for financed purchase obligations were as follows:

| Fiscal Year | Financed Purchase Obligation | | |
|---|---|---|---|
| Year Ending September 30, | Total Principal | Total Interest | Total Payments |
| 2025 | $ 1,838,574 | $ 316,649 | $ 2,155,223 |
| 2026 | 1,891,989 | 263,234 | 2,155,223 |
| 2027 | 1,947,023 | 208,200 | 2,155,223 |
| 2028 | 594,857 | 151,496 | 746,353 |
| 2029 | 617,781 | 128,572 | 746,353 |
| Thereafter | 2,718,551 | 266,862 | 2,985,413 |
| Total | $ 9,608,775 | $ 1,335,013 | $ 10,943,788 |

## 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.

During the year ended September 30, 2024, the Sheriff entered into one new lease with Revelance Group for a warehouse and office space at 2199 Andrea Lane for six (6) years totaling $1,410,482.

During the year ended September 30, 2024, the Sheriff's payment of principal on leases totaled $283,262.

### 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, 2024:

| Description | Amount |
|---|---|
| Lease payable for the use of a building in the amount of $1,111,411. 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. | $ 939,639 |
| Total | $ 939,639 |

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

| Fiscal Year | Right-of-Use Leases | | |
|---|---|---|---|
| Year Ending September 30, | Total Principal | Total Interest | Total Payments |
| 2025 | $ 67,915 | $ 39,992 | $ 107,907 |
| 2026 | 75,385 | 36,855 | 112,240 |
| 2027 | 83,377 | 33,378 | 116,755 |
| 2028 | 91,915 | 29,539 | 121,454 |
| 2029 | 101,025 | 25,313 | 126,338 |
| Thereafter | 520,022 | 50,366 | 570,388 |
| Total | $ 939,639 | $ 215,443 | $ 1,155,082 |

## 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.

### 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, 2024, the Sheriff entered into four new SBITA agreements with Motorola Solutions, CDW VMWare, CDW Sophos, and Codex Guardian and terminated one SBITA agreement with TimeClock Plus. During the year ended September 30, 2024, the Sheriff's payment of principal on subscriptions totaled $263,539.

## 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, 2024, 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, 2024, 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 $38,619,983 for the year ended September 30, 2024, 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 $213,718,584 was measured as of September 30, 2023 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, 2024, as of the measurement date of September 30, 2023.

| | Liability |
|---|---|
| Balance, as of October 1, 2022 | $ 213,762,414 |
| Changes: | |
| Service Cost | 3,896,744 |
| Interest | 9,430,895 |
| Changes in benefit terms | 157,496 |
| Differenced Between Expected and Actual Experience | - |
| Changes in Assumptions or Other Inputs | (6,887,708) |
| Benefit Payments | (6,641,257) |
| Net Changes | (43,830) |
| Balance, as of September 30, 2023 | $ 213,718,584 |

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 3.63% | Discount Rate 4.63% | 1% Increase 5.40% |
|---|---|---|---|
| Total OPEB Liability | $ 245,993,471 | $ 213,718,584 | $ 187,019,600 |

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 | $ 178,848,412 | $ 213,718,584 | $ 258,134,911 |

## NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the year ended September 30, 2024, the Sheriff's OPEB expense was $2,630,134. 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 | $ 25,311,087 | $ - |
| Changes in Assumptions and Other Inputs | 41,966,873 | 156,306,452 |
| Benefits Paid Subsequent to the Measurement Date | 7,163,397 | - |
| Total | $ 74,441,357 | $ 156,306,452 |

$7,163,397 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 |
|---|---|
| 2025 | $ (10,855,001) |
| 2026 | (10,855,001) |
| 2027 | (12,063,212) |
| 2028 | (12,963,971) |
| 2029 | (10,681,180) |
| Thereafter | (89,028,492) |

### 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 | 4.63% (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 4.40% to 4.63%
- 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, 2024, the Sheriff paid premiums of $7,267,595 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, 2024, the Plan has an individual participant stop-loss limit of $225,000 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 |
|---|---|---|---|---|
| 2024 | $ 2,669,581 | $ 38,090,422 | $ 37,549,806 | $ 3,210,197 |
| 2023 | 2,389,609 | 33,755,246 | 33,475,274 | 2,669,581 |

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 $835,785 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 corporations 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 second amendment to the contract in effect January 1, 2024 calls for minimum payments to the provider of approximately $782,531 per month effective January 1, 2024.

## NOTE 11 COMMITMENTS AND CONTINGENCIES (CONTINUED)

### Commitments (Continued)

The term of the contract for inmate food service Commenced on October 1, 2023, and continues for a period of seven (7) years through September 30, 2030. The contract may be renewed for three (3) successive one (1) year periods. The food services are based on a cost per meal per inmate basis, and the future contract commitment is estimated at approximately $3,800,000 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, 2024, the Sheriff paid $17,768,616 for inmate medical services and $3,768,089 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.

### 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 10.

### 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, 2024.

## NOTE 13 INTERFUND BALANCES

Due from and due to other funds at September 30, 2024 were as follows:

| | Due From | Due To |
|---|---|---|
| General Fund | $ 128,160 | $ - |
| Off-Duty Detail Fund | - | 128,160 |
| Total | $ 128,160 | $ 128,160 |

Interfund receivables and payables generally represent recurring activities between funds.

## NOTE 14 AFFILIATED ENTITIES

The Lee County Sheriff's Office is affiliated with Home Front Heroes, Inc. (HFH), a legally separate non-profit organization. Several employees of the Sheriff's Office serve on the board of HFH. The non-profit organization is dedicated to supporting community initiatives and enhancing public safety through various programs and services. The Sheriff's Office also makes contributions and provides support to the organization. For the year ended September 30, 2024, the Sheriff's Office provided direct financial support to HFH in the amount of $22,029.

## REQUIRED SUPPLEMENTARY INFORMATION

# LEE COUNTY, FLORIDA
# SHERIFF
# SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS[1]
# SEPTEMBER 30, 2024

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|
| **Total OPEB Liability, as of Measurement Date, September 30** | | | | | | | | |
| Service Cost | $ 3,896,744 | $ 8,303,668 | $ 7,477,479 | $ 9,815,772 | $ 7,313,259 | $ 9,900,653 | $ 10,833,849 | $ 8,466,020 |
| Interest | 9,430,895 | 6,032,151 | 6,206,678 | 8,527,224 | 9,372,912 | 10,022,898 | 9,023,558 | 9,205,476 |
| Changes in Benefit Terms | 157,496 | - | - | - | - | - | - | - |
| Differences between Expected and Actual Experience | - | 21,116,830 | - | 9,583,278 | - | 4,210,799 | - | - |
| Changes in Assumptions or Other Inputs | (6,887,708) | (85,907,444) | 9,059,482 | (72,808,506) | 51,094,419 | (58,471,288) | (22,770,911) | 31,575,012 |
| Benefit Payments | (6,641,257) | (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 | (43,830) | (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 | 213,762,414 | 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 | $ 213,718,584 | $ 213,762,414 | $ 270,056,857 | $ 252,808,831 | $ 302,839,158 | $ 239,762,015 | $ 278,836,741 | $ 286,357,073 |
| Covered-Employee Payroll | $ 134,502,607 | $ 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 | 158.90% | 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 4.40% as of the previous measurement date to 4.63%.

[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

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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 (the Sheriff), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated April 23, 2025.

## *Report on Internal Control over Financial Reporting*

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as item 2024-001 that we consider to be a material weaknesses.

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Honorable Carmine Marceno
Sheriff
Lee County, Florida

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

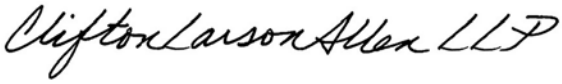
As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

***Sheriff's Response to Findings***

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

***Purpose of this Report***

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



**CliftonLarsonAllen LLP**

Fort Myers, Florida
April 23, 2025

**LEE COUNTY, FLORIDA**
**SHERIFF**
**SCHEDULE OF FINDINGS**
**YEAR ENDED SEPTEMBER 30, 2024**

2024 - 001 Revenue Recognition for FEMA Disaster Assistance Grant Program
Type of Finding: Material Weakness in Internal Control over Financial Reporting.

Condition: As part of the audit, we proposed audit adjustments to correct the Sheriff's financial statements at year-end related to the reporting of revenues, accounts receivable, and transfers out for funding amounts received in relation to the Federal Emergency Management Agency (FEMA) Disaster Grant – Public Assistance program. Revenue recognition for FEMA disaster grant occurs upon the date in which the project is obligated by FEMA, and the Sheriff recognized revenue once the cash payment was received by FEMA, subsequent to the obligation of the project.

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. The Sheriff's management is responsible for establishing and maintaining internal controls for the proper recording of all the Sheriff's transactions in the financial statements.

Effect: We proposed adjusting entries to management to correct the financial statements. The proposed adjustments were recorded by management to correct the financial statements.

Cause: The accounting for disaster grants is complex and unique to disaster grants, and the Sheriff's internal controls over financial reporting did not detect or prevent the errors.

Repeated Finding: No

Recommendation: We recommend that management adjust their documenting policies and procedures to address the required accounting for disaster grants. While disaster grant claims are not a routine transaction for the Sheriff, they will occur from time to time, and codifying the accounting policies and procedures into writing will ensure that the Sheriff's office has clear guidelines for accounting for any future disaster grant claims.

View responsible official and planned corrective actions: When recording FEMA monies, the appropriate revenue, accounts receivable and transfer out accounts will be utilized on the financial statements according to the obligation date determined by FEMA. Obligation dates will be reviewed as the FEMA claim is processed through the Grants Portal.

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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 (the Sheriff), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated April 23, 2025.

## 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 April 23, 2025, 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 Carmine Marceno
Sheriff
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 fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

**Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, 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
April 23, 2025

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# INDEPENDENT ACCOUNTANTS' REPORT

Honorable Carmine Marceno
Sheriff
Lee County, Florida

We have examined the Lee County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2024. 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, 2024.

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
April 23, 2025

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# LEE COUNTY, FLORIDA
# SUPERVISOR OF ELECTIONS

## FINANCIAL STATEMENTS

## YEAR ENDED SEPTEMBER 30, 2024



CPAs | CONSULTANTS | WEALTH ADVISORS

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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, 2024, 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, 2024, 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, 2024, 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.

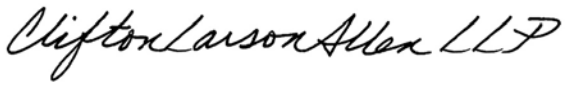
Honorable Tommy Doyle
Supervisor of Elections
Lee County, Florida

***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 February 15, 2025, 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
February 15, 2025

**LEE COUNTY, FLORIDA**
**SUPERVISOR OF ELECTIONS**
**BALANCE SHEET – GENERAL FUND**
**SEPTEMBER 30, 2024**

## ASSETS

| | |
|---|---|
| Cash | $ 2,156,010 |
| Accounts Receivable | 1,633 |
| Due from Other Governments | 1,082 |
| Other Assets | 28,448 |
| Total Assets | $ 2,187,173 |

## LIABILITIES AND FUND BALANCE

| | |
|---|---|
| **LIABILITIES** | |
| Accounts Payable | $ 341,959 |
| Accrued Liabilities | 275,992 |
| Due to the Lee County, Florida Board of County Commissioners | 1,569,222 |
| Total Liabilities | 2,187,173 |
| **FUND BALANCE** | - |
| Total Liabilities and Fund Balance | $ 2,187,173 |

*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, 2024**

| | |
|---|---|
| **REVENUES** | |
| Charges for Services | $ 16,394 |
| Miscellaneous Revenue | 68,368 |
| Total Revenues | 84,762 |
| **EXPENDITURES** | |
| General Government: | |
| Personnel Services | 6,196,375 |
| Operating Expenditures | 4,232,884 |
| Capital Outlay | 1,733,431 |
| Debt Service - Principal | 259,859 |
| Debt Service -Interest | 3,653 |
| Total Expenditures | 12,426,202 |
| Excess of Expenditures Over Revenues | (12,341,440) |
| **OTHER FINANCING SOURCES (USES)** | |
| Proceeds from Finance Purchase Obligations | 1,733,431 |
| Lee County, Florida, Board of County Commissioners Appropriations | 12,173,293 |
| Distribution of Excess Appropriations to the Lee County, Florida Board of County Commissioners | (1,565,284) |
| Total Other Financing Sources | 12,341,440 |
| **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 (NON-GAAP BUDGETARY BASIS)
# YEAR ENDED SEPTEMBER 30, 2024

| | Budget | | | Variance with Final |
|---|---|---|---|---|
| | Original | Final | Actual | Budget |
| **REVENUES** | | | | |
| Charges for Services | $ - | $ - | $ 16,394 | $ 16,394 |
| Miscellaneous Revenue | - | - | 68,368 | 68,368 |
| Total Revenues | - | - | 84,762 | 84,762 |
| **EXPENDITURES** | | | | |
| General Government: | | | | |
| Personnel Services | 6,410,747 | 6,410,747 | 6,196,375 | 214,372 |
| Operating Expenditures | 5,762,546 | 5,762,546 | 4,232,884 | 1,529,662 |
| Debt Service - Principal | - | - | 259,859 | (259,859) |
| Debt Service - Interest | - | - | 3,653 | (3,653) |
| Total Expenditures | 12,173,293 | 12,173,293 | 10,692,771 | 1,480,522 |
| Excess of Expenditures Over Revenues | (12,173,293) | (12,173,293) | (10,608,009) | 1,565,284 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers In: | | | | |
| County Commissioners Appropriations | 12,173,293 | 12,173,293 | 12,173,293 | - |
| Transfers Out: | | | | |
| Distribution of Excess Appropriations to the Lee County, Florida Board of County Commissioners | - | - | (1,565,284) | (1,565,284) |
| Total Other Financing Sources | 12,173,293 | 12,173,293 | 10,608,009 | (1,565,284) |
| 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, twenty five percent (25) for employees with one to three (1-3) years of continuous service, fifty percent (50%) for employees with four to eight (4-8) years of continuous service, and seventy-five percent (75%) for employees who have completed nine (9) 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 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 Election's General Fund budget is prepared based on Florida Department of Revenue Rules, which differs from accounting principles generally accepted in the United States of America (GAAP) in that costs and offsetting proceeds associated with finance purchase obligations, are not recognized under the budgetary basis of accounting.

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, 2024, 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) | $ 84,762 | $ 10,692,771 | $ 10,608,009 |
| Finance Purchase Obligations Not Budgeted | - | 1,733,431 | 1,733,431 |
| Total GAAP Basis | $ 84,762 | $ 12,426,202 | $ 12,341,440 |

## NOTE 3 CASH

At September 30, 2024, the carrying value of the Supervisor of Elections' cash was as follows:

| Type | Carrying Value | Credit Rating |
|---|---|---|
| Cash: | | |
| Cash on Hand | $ 337 | N/A |
| Demand Deposits | 2,155,673 | N/A |
| Total Cash | $ 2,156,010 | |

### Custodial Credit Risk

At September 30, 2024, 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, 2024.

## 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, 2023 | Additions | Deductions | September 30, 2024 |
|---|---|---|---|---|
| Compensated Absences | $ 126,548 | $ 177,211 | $ 176,005 | $ 127,754 |
| Financed Purchase Obligations | - | 1,733,431 | 259,859 | 1,473,572 |
| Total Long Term Liabilities | $ 126,548 | $ 1,910,642 | $ 435,864 | $ 1,601,326 |

The entire balance of compensated absences outstanding at September 30, 2024 is expected to be paid during the fiscal year ended September 30, 2025. These long-term liabilities are not reported in the financial statements of the Supervisor of Elections since they have not matured.

The following is a summary of the financed purchase obligations at September 30, 2024:

| Description | Amount |
|---|---|
| $1,473,572 financed purchase obligations, for the purchases of equipment of $1,733,431. The purchase agreement is payable varying installments due throughout the year, including interest at rates between 4.48% and 8.93% Final payment due on September 25, 2028. | $ 1,473,572 |
| Total | $ 1,473,572 |

## NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

The annual debt service requirements at September 30, 2024 for financed purchase obligations were as follows:

| Fiscal Year | Financed Purchase Obligation | | |
|---|---|---|---|
| Year Ending September 30, | Total Principal | Total Interest | Total Payments |
| 2025 | $ 808,293 | $ 61,929 | $ 870,222 |
| 2026 | 632,402 | 31,630 | 664,032 |
| 2027 | 14,143 | 2,572 | 16,715 |
| 2028 | 15,576 | 1,138 | 16,714 |
| 2029 | 3,158 | 44 | 3,202 |
| Total | $ 1,473,572 | $ 97,313 | $ 1,570,885 |

## 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.

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).

## NOTE 6 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.

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.

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 6 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 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.

## NOTE 6 PENSION PLANS (CONTINUED)

### 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, 2024, 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, 2024, 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 $555,843 for the year ended September 30, 2024. 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, 2024, the Supervisor of Elections paid $963,438 including $79,659 paid by employees and $807,578 paid by the Supervisor of Elections, to the Board for health, life, dental, EAP and disability in the risk management program. The Board paid $109,759 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, 2024.

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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, 2024, 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 February 15, 2025.

## *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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

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We identified certain deficiencies in internal controls described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a significant deficiency.

***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*.

***Supervisor of Election's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the Supervisor of Elections' response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The Supervisor of Election'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 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

**CliftonLarsonAllen LLP**

Fort Myers, Florida
February 15, 2025

CliftonLarsonAllen LLP
CLAconnect.com

# 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, 2024, and have issued our report thereon dated February 15, 2025.

## Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the 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*; Schedule of Findings and Responses; 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 February 15, 2025, 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 fraud, waste or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

**Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the 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

**CliftonLarsonAllen LLP**

Fort Myers, Florida
February 15, 2025

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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, 2024. 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, 2024.

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
February 15, 2025

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**LEE COUNTY, FLORIDA**
**SUPERVISOR OF ELECTIONS**
**SCHEDULE OF FINDINGS AND RESPONSES**
**YEAR ENDED SEPTEMBER 30, 2024**

**2024 – 001 Audit Adjustment**

**Type of Finding:** Significant Deficiency in Internal Control over Financial Reporting.

**Condition**: Certain expenditures related to 2024 that were paid subsequent to year end were not accrued as accounts payable. An audit adjustment was made to correct 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 Supervisor of Election's ability to ensure financial transactions are authorized and accurate. The system should allow for necessary adjustments to be made post-closing to reflect accurate financial information. The Supervisor of Election's management is responsible for establishing and maintaining internal controls for year-end financial reporting and the proper recording of all transactions in the appropriate accounting period.

**Effect**: The proposed audit adjustment was made by management to correct the financial statements.

**Cause**: Management's internal controls over financial reporting did not detect or prevent the misstatements requiring correction.

**Repeated Finding:** No

**Recommendation**: We recommend that management strengthen internal controls over the review processes related to the Supervisor of Election's transactions and activity to ensure the financial statements are presented in accordance with accounting principles generally accepted in the United States of America.

**View Responsible Official and Planned Corrective Actions**: Better communication between the purchasing agent and finance department.

# LEE COUNTY, FLORIDA
# TAX COLLECTOR

## FINANCIAL STATEMENTS

## YEAR ENDED SEPTEMBER 30, 2024



CPAs | CONSULTANTS | WEALTH ADVISORS

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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, 2024, 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, 2024, 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, 2024 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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***Responsibilities of Management for the Financial Statements***

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

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

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

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

***Required Supplementary Information***

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 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.

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.

Honorable Noelle Branning
Tax Collector
Lee County, Florida

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2025, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Fort Myers, Florida
February 26, 2025

# FINANCIAL STATEMENTS

**LEE COUNTY, FLORIDA**
**TAX COLLECTOR**
**BALANCE SHEET – GENERAL FUND**
**SEPTEMBER 30, 2024**

## ASSETS

| | |
|---|---|
| Cash and Cash Equivalents | $ 5,121,865 |
| Investments | 5,826,827 |
| Accounts Receivable | 69,354 |
| Due from the Lee County, Florida, Board of County Commissioners | 14,077 |
| Total Assets | $ 11,032,123 |

## LIABILITIES AND FUND BALANCE

| | |
|---|---|
| **LIABILITIES** | |
| Accounts Payable | $ 256,464 |
| Accrued and Other Liabilities | 754,809 |
| Due to Individuals | 32,280 |
| Due to Other Governmental Units | 1,206,931 |
| Due to Lee County, Florida, Board of County Commissioners | 8,781,639 |
| Total Liabilities | 11,032,123 |
| **FUND BALANCE** | - |
| Total Liabilities and Fund Balance | $ 11,032,123 |

*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, 2024**

| | |
|---|---|
| **REVENUES** | |
| Commissions and Fees: | |
| Lee County, Florida, Board of County Commissioners | $ 26,861,301 |
| Other Governmental Units | 6,486,310 |
| Charges for Services | 8,725,431 |
| Interest | 1,157,126 |
| Miscellaneous | 44,625 |
| Total Revenues | 43,274,793 |
| **EXPENDITURES** | |
| General Government: | |
| Personnel Services | 22,369,962 |
| Operating | 6,319,294 |
| Capital Outlay | 6,356,181 |
| Debt Service - Principal | 817,788 |
| Debt Service - Interest | 113,533 |
| Total Expenditures | 35,976,758 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 7,298,035 |
| **OTHER FINANCING SOURCES (USES)** | |
| Subscription-Based Information Technology Agreements | 752,263 |
| Distribution of Excess Commissions and Fees to Other Governmental Units | (1,206,931) |
| Distribution of Excess Commissions and Fees to Lee County, Florida, Board of County Commissioners | (6,843,367) |
| Total Other Financing Sources (Uses) | (7,298,035) |
| **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 (NON-GAAP BUDGETARY BASIS)**
**YEAR ENDED SEPTEMBER 30, 2024**

| | Budget | | | Variance with Final |
|---|---|---|---|---|
| | Original | Final | Actual | Budget |
| **REVENUES** | | | | |
| Commissions and Fees: | | | | |
| Board of County Commissioners | $ 24,459,375 | $ 26,794,742 | $ 26,861,301 | $ 66,559 |
| Other Governmental Units | 5,958,794 | 6,277,118 | 6,486,310 | 209,192 |
| Charges for Services | 6,105,955 | 8,270,914 | 8,725,431 | 454,517 |
| Interest | 857,062 | 1,083,957 | 1,157,126 | 73,169 |
| Miscellaneous | 34,272 | 62,705 | 44,625 | (18,080) |
| Total Revenues | 37,415,458 | 42,489,436 | 43,274,793 | 785,357 |
| **EXPENDITURES** | | | | |
| General Government: | | | | |
| Personnel Services | 25,564,198 | 26,323,940 | 22,369,962 | 3,953,978 |
| Operating | 7,131,054 | 7,695,018 | 6,319,294 | 1,375,724 |
| Capital Outlay | 840,102 | 5,823,868 | 5,603,918 | 219,950 |
| Debt Service - Principal | - | - | 817,788 | (817,788) |
| Debt Service - Interest | - | - | 113,533 | (113,533) |
| Total Expenditures | 33,535,354 | 39,842,826 | 35,224,495 | 4,618,331 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 3,880,104 | 2,646,610 | 8,050,298 | 5,403,688 |
| **OTHER FINANCING USES** | | | | |
| Distribution of Excess Commissions and Fees to Other Governmental Units | - | - | (1,206,931) | (1,206,931) |
| Distribution of Excess Commissions and Fees to the Lee County, Florida, Board of County Commissioners | - | - | (6,843,367) | (6,843,367) |
| Total Other Financing Uses | - | - | (8,050,298) | (8,050,298) |
| **NET CHANGES IN FUND BALANCE** | 3,880,104 | 2,646,610 | - | (2,646,610) |
| Fund Balance - Beginning of Year | - | - | - | - |
| **FUND BALANCE - END OF YEAR** | $ 3,880,104 | $ 2,646,610 | $ - | $ (2,646,610) |

*See accompanying Notes to Financial Statements.*

**LEE COUNTY, FLORIDA**
**TAX COLLECTOR**
**STATEMENT OF NET POSITION – INTERNAL SERVICE FUND**
**SEPTEMBER 30, 2024**

| | |
|---|---|
| **ASSETS** | |
| Current Assets: | |
| Cash and Cash Equivalents | $ 1,508,451 |
| Cash and Cash Equivalents Held By Others for Benefits | 1,102,020 |
| Due From Individuals | 479 |
| Total Current Assets | 2,610,950 |
| **LIABILITIES** | |
| Current Liabilities: | |
| Premium Stop Loss | 11,444 |
| Self-Insurance Claims Payable | 810,126 |
| Accrued and Other Liabilities | 34,972 |
| Total Current Liabilities | 856,542 |
| **NET POSITION** | |
| Unrestricted | 1,754,408 |
| Total Net Position | $ 1,754,408 |

*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, 2024**

| | |
|---|---|
| **OPERATING REVENUES** | |
| Charges for Services | $ 5,459,067 |
| Miscellaneous | 67,854 |
| Total Operating Revenues | 5,526,921 |
| **OPERATING EXPENSES** | |
| Claims and Claims Expenses | 4,386,498 |
| Reinsurance Premiums | 100,840 |
| Administrative and Other Expenses | 319,341 |
| Total Operating Expenses | 4,806,679 |
| **OPERATING INCOME** | 720,242 |
| **NONOPERATING REVENUES (EXPENSES)** | |
| Interest Earnings | 34,166 |
| Total Nonoperating Revenues (Expenses) | 34,166 |
| Income (loss) before contributions and transfers | 5,492,755 |
| **CHANGE IN NET POSITION** | 754,408 |
| Net Position - Beginning of Year | 1,000,000 |
| **NET POSITION - END OF YEAR** | $ 1,754,408 |

*See accompanying Notes to Financial Statements.*

**LEE COUNTY, FLORIDA**
**TAX COLLECTOR**
**STATEMENT OF CASH FLOWS – INTERNAL SERVICE FUND**
**YEAR ENDED SEPTEMBER 30, 2024**

| | |
|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | |
| Cash Payments for Claims and Claim-Related Services | $ (3,576,372) |
| Cash Payments for Reinsurance Premiums | (89,396) |
| Cash Payments for Administrative Services and Supplies | (284,369) |
| Cash Received from Other Funds for Services | 5,458,588 |
| Cash Received from Other Sources | 67,854 |
| Net Cash Provided by Operating Activities | 1,576,305 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | |
| Interest Income | 34,166 |
| Net Cash Provided by Investing Activities | 34,166 |
| **NET INCREASE IN CASH AND CASH EQUIVALENTS** | 1,610,471 |
| Cash and Cash Equivalents - Beginning of Year | 1,000,000 |
| **CASH AND CASH EQUIVALENTS - END OF YEAR** | $ 2,610,471 |
| **RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES** | |
| Operating Income | $ 720,242 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities: | |
| Increase in Due From Individuals | (479) |
| Increase in Self-Insurance Claims Payable | 810,126 |
| Increase in Accrued and Other Liabilities | 34,972 |
| Increase in Stop Loss Coverage Payable | 11,444 |
| Net Cash Provided by Operating Activities | $ 1,576,305 |

*See accompanying Notes to Financial Statements.*

**LEE COUNTY, FLORIDA**
**TAX COLLECTOR**
**STATEMENT OF FIDUCIARY NET POSITION**
**SEPTEMBER 30, 2024**

| | Custodial Funds |
|---|---|
| **ASSETS** | |
| Cash and Cash Equivalents | $ 9,932,401 |
| Investments | 13,898,640 |
| Accounts Receivable | 10,417 |
| Total Assets | 23,841,458 |
| **LIABILITIES** | |
| Due to Individuals | 1,484,209 |
| Due to Other Governmental Units | 22,357,249 |
| Total Liabilities | 23,841,458 |
| **FIDUCIARY NET POSITION** | $ - |

*See accompanying Notes to Financial Statements.*

**LEE COUNTY, FLORIDA**
**TAX COLLECTOR**
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**
**YEAR ENDED SEPTEMBER 30, 2024**

| | Custodial Funds |
|---|---|
| **ADDITIONS** | |
| Tax Collections for Other Governments | $ 1,600,884,871 |
| License and Fees Collected for Other Governments | 80,475,695 |
| Miscellaneous | 5,908,466 |
| Total Revenues | 1,687,269,032 |
| **DEDUCTIONS** | |
| Payments of Tax to Other Governments | 1,606,793,337 |
| Payments to Other Governments | 80,475,695 |
| Total Expenditures | 1,687,269,032 |
| **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.

### 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, 2024, 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, 2024, 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, 2024, 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 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 based on Florida Department of Revenue Rules, which differs from accounting principles generally accepted in the United States of America (GAAP) in that costs and offsetting proceeds related to subscription-based information technology arrangements are not recognized under the budgetary basis of accounting. Adjustments to convert the results of operations at the end of the year, for the year ended September 30, 2024, 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) | $ 43,274,793 | $ 35,224,495 | $ (8,050,298) |
| Subscription Based Information Technology Arrangements Transactions Not Budgeted | - | 752,263 | 752,263 |
| Total GAAP Basis | $ 43,274,793 | $ 35,976,758 | $ (7,298,035) |

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, 2024, 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 | $ 48,400 | N/A |
| Demand Deposits | 16,514,317 | N/A |
| Money Market | 1,102,020 | N/A |
| Total Cash and Cash Equivalents | $ 17,664,737 | |
| Investments: | | |
| Florida PRIME | $ 19,725,467 | *AAAm |

*Rating by S&P
N/A – Not Applicable

### Custodial Credit Risk

At September 30, 2024, 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.

Cash held by others for benefit in the Internal Service Fund are part of the Florida Sheriffs Employer Benefits Trust (FSEBT) and are administered by FSEBT. FSEBT's policy requires execution of a third-party custodial safekeeping agreement for purchased securities and collateral and requires that securities be held in the Tax Collector's name.

## 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, 2024, 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 39 days at September 30, 2024. The weighted average life (WAL) for Florida PRIME at September 30, 2024 was 74 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, 2024, 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, 2023 | Additions | Retirements | September 30, 2024 |
|---|---|---|---|---|
| Compensated Absences | $ 845,022 | $ 1,133,535 | $ (1,216,297) | $ 762,260 |

Substantially all the balance outstanding as of September 30, 2024 is expected to be paid during the fiscal year ended September 30, 2025. 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, 2024, the Tax Collector entered into one new SBITA in the amount of $752,263. During the year ended September 30, 2024, the Tax Collector's payment of principal on SBITAs totaled $817,788.

## 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, 2024, 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, 2024, 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 $2,295,150 for the year ended September 30, 2024. The Tax Collector contributed 100% of the required contributions.

## NOTE 8 OTHER POSTEMPLOYMENT BENEFITS

Effective January 1, 2024, 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 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.

### Plan Description

The Tax Collector's provides certain continuing health care and life insurance benefits for its retired employees. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Tax Collector's Office. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

### Benefits Provided

Medical benefits are provided through comprehensive plans and are made available to employees upon actual retirement. To qualify for retiree medical benefits, retirees must be eligible to retire under the provisions of the Florida Retirement System. The earliest retirement eligibility provisions are as follows:

| | Hired before 7/1/2011 | Hired on or after 7/1/2011 |
|---|---|---|
| Normal Retirement | 62 & 6 YOS or 30 YOS | 65 & 8 YOS or 33 YOS |
| Early Retirement | 6 YOS | 8 YOS |

Employees are also eligible to elect to be covered by the state 401k plan which has no retirement requirements. Employees hired on or after 1/1/2008 and on or before 09/30/18 and who retire between 01/01/08 and 09/30/18 are not eligible for the subsidy.

### Employees Covered by Benefit Terms

As of the measurement date September 30, 2024, the following employees were covered by the benefit terms:

| | |
|---|---|
| Inactive employees or beneficiaries currently receiving benefit payments | 70 |
| Inactive employees entitled to but not yet receiving benefit payments | - |
| Active employees | 224 |
| | 294 |

## NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

### Funding Policy

The Tax Collector 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**.**

### Total OPEB Liability

The Tax Collector's Office's total OPEB liability is $16,391,680 as of the measurement date September 30, 2024, the end of the fiscal year.

### Actuarial Assumptions and other inputs

The total OPEB liability in the September 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---|---|
| Inflation | 2.5% |
| Salary increases | 3.25%, including inflation |
| Prior Discount rate | 3.26% |
| Discount rate | 3.81%, net of OPEB plan investment expense, including inflation |
| Healthcare cost trend rates | Getzen model, with an initial trend of 6.0% |
| Mortality | PubG.H-2010(B) |

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of September 30, 2024, the end of the applicable measurement period.

The actuarial assumptions used in the September 30, 2024, valuation was based on the results of ongoing evaluations of the assumptions from October 1, 2009 to September 30, 2024.

## NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

### Changes in the Total OPEB Liability

| | Liability |
|---|---|
| Balance, as of October 1, 2023 | $ - |
| Changes: | |
| Service Cost | 17,749,630 |
| Interest | 567,411 |
| Differenced Between Expected and Actual Experience | - |
| Changes in Assumptions or Other Inputs | (1,231,050) |
| Benefit Payments | (694,311) |
| Net Changes | 16,391,680 |
| Balance, as of September 30, 2024 | $ 16,391,680 |

### Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the Tax Collector's Office, as well as what the Tax Collector's Office's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.81%) or 1-percentage-point higher (4.81%) than the current discount rate:

| | 1% Decrease 2.81% | Discount Rate 3.81% | 1% Increase 4.81% |
|---|---|---|---|
| Total OPEB Liability | $ 18,744,250 | $ 16,391,680 | $ 14,481,348 |

### Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the Tax Collector's Office, as well as what the Tax Collector's Office's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.0%) or 1-percentage-point higher (7.0%) than the current healthcare trend rates:

| | 1% Decrease 5.00% | Current Trend 6.00% | 1% Increase 7.00% |
|---|---|---|---|
| Total OPEB Liability | $ 14,149,492 | $ 16,391,680 | $ 19,213,193 |

## NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the year ended September 30, 2024, the Tax Collector's Office recognized OPEB expense of $1,819,987. At September 30, 2024, the Tax Collector's Office 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 |
|---|---|---|
| Changes in Assumptions and Other Inputs | - | (1,077,169) |
| Total | $ - | $ (1,077,169) |

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

| Year Ending September 30, | Net Deferred (In)/Outflows of Resources |
|---|---|
| 2025 | $ (205,175) |
| 2026 | (205,175) |
| 2027 | (205,175) |
| 2028 | (205,175) |
| 2029 | (205,175) |
| Thereafter | (51,294) |

## 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 $212,629 during the year ended September 30, 2024.

## NOTE 10 RISK MANAGEMENT

The Tax Collector faces various risks of loss, including general liability, health, dental, disability, life, property and casualty, auto and physical damage, and workers' compensation. Lee County, Florida, Board of Commissioners maintains a self-insurance internal service fund to manage self-insurance activities related to group health, life, prescription, dental coverage, property, general liability, automobile and public official's liability, worker's compensation, and auto physical damage. Under this program, Lee County, Florida, Board of Commissioners provides coverage for group health, dental, general liability claims, and workers' compensation. Commercial insurance is purchased by Lee County, Florida, Board of Commissioners for claims exceeding the coverage provided by the risk management program and all other risks of loss. There have been no significant reductions in insurance coverage in the past fiscal year. Settled claims have not exceeded commercial coverage in any of the last three fiscal years.

Effective January 1, 2024, the Tax Collector provides medical insurance to employees through its own self-insurance plan. On this date, the Tax Collector no longer participated in the Lee County, Florida, Board of Commissioners' self-insurance program for group health, life, prescription, and dental coverage. The Tax Collector remains part of the Lee County, Florida, Board of Commissioners' self-insurance program for general liability, property and casualty, auto and physical damage, and workers' compensation.

For the fiscal year ended September 30, 2024, the Tax Collector paid $1,315,750 to the Lee County, Florida, Board of Commissioners for participation in the risk management program covering health, life, dental, and disability, including retiree coverage costs prior to January 1, 2024. The Lee County, Florida, Board of County Commissioners paid $202,452 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.

Starting on January 1, 2024, the Tax Collector began participating in the Florida Sheriff's Self-Funded Medical Pool offered by the Florida Sheriffs Employee Benefit Trust (FSEBT). FSEBT provides liability insurance coverage for health, life, dental, and disability, including retiree coverage costs. FSEBT maintains a self-insurance program to administer insurance activities and provides liability insurance to participating agencies.

Premiums charged to participating agencies are based upon amounts believed by the Fund management to meet the estimated annual payout during the fiscal year and to pay for the estimated operating costs of the program. All liabilities associated with these self-insured risks are reported in the basic financial statements of FSEBT.

## NOTE 10 RISK MANAGEMENT (CONTINUED)

The Tax Collector has established a self-funded employee health plan (the Plan) for active employees and retirees. An internal service fund is used to account for the activities of the Plan. Payments to the internal service fund are based on actuarial estimates of amounts needed to pay prior year and current year claims including claims incurred but not yet reported. As of September 30, 2024, the Plan has an individual participant stop-loss limit of $90,000 and no aggregate individual stop-loss limit.

The Tax Collector's Office uses a Third-Party Administrator (TPA) UMR to administer and pay claims for the health plan.

Changes in the balance of estimated self-insurance claims payable for the fiscal year ended September 30 are as follows:

| Year Ended | Balance October 1 | Additions | Claim Payments | Balance September 30 |
|---|---|---|---|---|
| 2024 | $ - | $ 4,386,498 | $ 3,576,372 | $ 810,126 |

## 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.

## REQUIRED SUPPLEMENTARY INFORMATION

**LEE COUNTY, FLORIDA**
**TAX COLLECTOR**
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS[1]**
**SEPTEMBER 30, 2024**

| | |
|---|---|
| Service Cost | $ 17,749,630 |
| Interest | 567,411 |
| Differences between Expected and Actual Experience | - |
| Changes in Assumptions or Other Inputs | (1,231,050) |
| Benefit Payments | (694,311) |
| Net Change in Total OPEB Liability | 16,391,680 |
| Total OPEB Liability, Beginning | - |
| Total OPEB Liability, Ending | $ 16,391,680 |
| Covered-Employee Payroll | $ 13,097,091 |
| Total OPEB Liability as a Percentage of Covered-Employee Payroll | 125.16% |

**Notes to Schedule**

*Changes in Assumptions:*
The discount rate was changed from 3.26% as of the beginning of the plan started on January 1, 2024 to 3.81% as of the end of the year.

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

## SUPPLEMENTARY INFORMATION

# LEE COUNTY, FLORIDA
# TAX COLLECTOR
# COMBINING STATEMENT OF FIDUCIARY NET POSITION
# CUSTODIAL FUNDS
# SEPTEMBER 30, 2024

| | Tax Fund | Tax Certificate Fund | Motor Vehicle Fund | Driver License Fund | Hunting and Fishing Fund | Local Business Tax Fund | Concealed Weapons Fund | Total Custodial Funds |
|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | |
| Cash and Cash Equivalents | $ 7,287,615 | $ 1,037,512 | $ 1,388,766 | $ 171,935 | $ 512 | $ 39,459 | $ 6,601 | $ 9,932,400 |
| Investments | 12,214,056 | 1,539,585 | 133,280 | - | - | 11,720 | - | 13,898,641 |
| Accounts Receivable | - | - | 6,394 | 4,023 | - | - | - | 10,417 |
| Total Assets | $ 19,501,671 | $ 2,577,097 | $ 1,528,440 | $ 175,958 | $ 512 | $ 51,179 | $ 6,601 | $ 23,841,458 |
| **LIABILITIES** | | | | | | | | |
| Due to Individuals | $ 10,362 | $ 1,473,847 | $ - | $ - | $ - | $ - | $ - | $ 1,484,209 |
| Due to Other Governmental Units | 19,491,309 | 1,103,250 | 1,528,440 | 175,958 | 512 | 51,179 | 6,601 | 22,357,249 |
| Total Liabilities | 19,501,671 | 2,577,097 | 1,528,440 | 175,958 | 512 | 51,179 | 6,601 | 23,841,458 |
| **FIDUCIARY NET POSITION** | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |

# LEE COUNTY, FLORIDA
# TAX COLLECTOR
# COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
# CUSTODIAL FUNDS
# YEAR ENDED SEPTEMBER 30, 2024

| | 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 | $ 1,545,097,752 | $ 54,057,235 | $ - | $ - | $ - | 1,729,884 | $ - | $ - | $ 1,600,884,871 |
| License and Fees Collected for Other Governments | - | - | 72,625,848 | 7,273,089 | 145,020 | - | 1,032 | 430,706 | 80,475,695 |
| Miscellaneous | 5,908,466 | - | - | - | - | - | - | - | 5,908,466 |
| Total Additions | 1,551,006,218 | 54,057,235 | 72,625,848 | 7,273,089 | 145,020 | 1,729,884 | 1,032 | 430,706 | 1,687,269,032 |
| **DEDUCTIONS** | | | | | | | | | |
| Payments of Tax to Other Governments | 1,551,006,218 | 54,057,235 | - | - | - | 1,729,884 | - | - | 1,606,793,337 |
| Payments to Other Governments | - | - | 72,625,848 | 7,273,089 | 145,020 | - | 1,032 | 430,706 | 80,475,695 |
| Total Deductions | 1,551,006,218 | 54,057,235 | 72,625,848 | 7,273,089 | 145,020 | 1,729,884 | 1,032 | 430,706 | 1,687,269,032 |
| **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, 2024, 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 February 26, 2025.

## *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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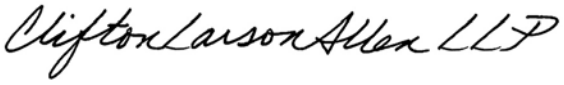
Honorable Noelle Branning
Tax Collector
Lee County, Florida

***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**

Fort Myers, Florida
February 26, 2025

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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 fiscal year ended September 30, 2024, and have issued our report thereon dated February 26, 2025.

## Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

## Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards,* AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports which are dated February 26, 2025 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. We have made financial management recommendations, detailed in Appendix-A.

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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 fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

**Purpose of this Letter**

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

CliftonLarsonAllen LLP

**CliftonLarsonAllen LLP**

Fort Myers, Florida
February 26, 2025

**LEE COUNTY TAX COLLECTOR, FLORIDA**
**MANAGEMENT LETTER**
**APPENDIX-A**
**SEPTEMBER 30,2024**

**Observation**: During the audit, CLA identified several issues with the Tax Collector's self-insurance fund (ISF) that indicate areas for operational improvement. These recommendations are intended to assist management in enhancing the accounting and management of their ISF.

**Recommendations:**

- Develop a comprehensive policy outlining the objectives, scope, and procedures for managing the self-insurance plan.
- Ensure proper classification and recording of all ISF-related transactions.
- Prepare regular financial statements, including a cash flow statement, to monitor the financial health of the self-insurance fund. Periodically review these statements to identify any discrepancies or areas of concern.
- Establish procedures to adequately review actuarial valuations of the self-insurance plan as required by relevant accounting standards (e.g., GASB Statements No. 75). Utilize these valuations to assess the plan's liabilities and ensure adequate funding.
- Gain a thorough understanding of Incurred but Not Reported (IBNR) liabilities and their impact on financial reporting. Ensure that IBNR liabilities are accurately estimated and recorded in the financial statements.
- Implement a process for regularly reconciling cash and other financial records related to the self-insurance plan. Reconcile monthly statements from third-party administrators involved in managing the fund.
- Ensure that all interest earnings and other income related to the self-insurance fund are properly recorded. Monitor and report these earnings as part of the financial statements.
- Provide training sessions for staff involved in managing and accounting for the self-insurance plan. Offer resources such as industry guidelines and best practices to enhance their understanding and skills.
- Consider engaging external consultants or auditors with expertise in self-insurance plans to provide guidance and ensure compliance with relevant regulations and standards.
- Conduct routine reviews of the self-insurance plan to assess its performance and identify areas for improvement. Adjust the plan as necessary to address emerging risks or changes in the organization's needs.

**Management Response**: LCTC Management acknowledges the observations and recommendations provided by CLA. LCTC recognizes this is a first-year program and is committed to researching and implementing policies and procedures to manage ISF operations according to required guidelines. While some of the auditor recommendations have already been documented and implemented, LCTC will continue to work with the plan administrators in reviewing self-insurance plans, including plan performance, to address all financial reporting and risk assumptions/requirements.

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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, 2024. 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, 2024.

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
February 26, 2025

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