

OKEECHOBEE COUNTY, FLORIDA

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2021



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**OKEECHOBEE COUNTY, FLORIDA
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INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Okeechobee County, Florida

Report on the Financial Statements

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 Okeechobee County, Florida (the County), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Transportation Trust Fund, Fire/Rescue Fund, Landfill Trust Fund, and Special Grants Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

During the fiscal year ended September 30, 2021, the County adopted GASB Statement No. 84, *Fiduciary Activities*. As a result of the implementation of this standard, the County reported a restatement for the change in accounting principle (see Note 20.) Our auditors' opinion was not modified with respect to this restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 15, information on other postemployment benefits on pages 82 through 83, and information on pension benefits on pages 84 through 87 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

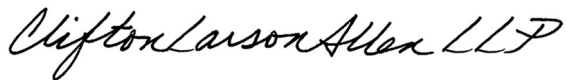
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, *Local Governmental Entity Audits*, Rules of the Auditor General of the State of Florida, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 information is 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 May 25, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
May 25, 2022

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Our discussion and analysis of Okeechobee County's (County) financial performance provides an overview of the County's financial activities for fiscal year ended September 30, 2021. Please read it in conjunction with the County's financial statements.

FINANCIAL HIGHLIGHTS

The following are key financial highlights for the fiscal year:

- The County's total net position increased by \$8.8 million, of which \$8.88 million was an increase in governmental activities and there was a \$38,232 decrease from business-type activities.
- The County's assets exceeded its liabilities at September 30, 2021 by \$100.3 million (net position). Of this amount, \$88.8 million was the net investment in capital assets and \$14.77 million was restricted by law, grant agreements, debt covenants, or for capital projects. As a result, unrestricted net position is a deficit \$3.3 million.
- At September 30, 2021 the County's General Fund balance was \$14.6 million which represents a \$1.1 million increase from the previous year. The County's Governmental Funds in total reported combined ending fund balances of \$41.5 million, an increase of \$0.6 million from the previous year. Of this amount, \$0.3 million is not in a spendable form (nonspendable), \$11.6 million is for specific purposes imposed by external providers (restricted), \$8.7 million is for specific purposes determined by formal action of the County (committed), \$6.7 million is intended for specific purposes (assigned), and \$14.2 million is available for use at the County's discretion (unassigned fund balance).
- At September 30, 2021, unassigned fund balance for the General Fund was \$14.3 million, or 41.3% of General Fund expenditures for the current year. Approximately four months of current year expenditures were available in unassigned fund balance.
- The County's total liabilities decreased by \$21.9 million or 36.4% during the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This County's basic financial statements consist of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the County as a whole and present a longer-term view of the County's finances. The fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Government-Wide Financial Statements

Our analysis of the County begins with the government-wide financial statements. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the County as a whole and about its activities in a way that helps answer this question. The statement of net position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. The statement of activities includes all of the current year's revenues and expenses regardless of when cash is received or paid.

The statement of net position reports the County's net position and changes to it. You can think of the County's net position, the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the County's property tax base and the condition of the County's roads, to assess the overall health of the County.

In the statement of net position and the statement of activities, we divide the County into two kinds of activities:

- Governmental activities – Most of the County's basic services are reported here, including law enforcement, corrections, road department, parks and recreation, fire rescue and general administration.
- Business-type activities – The County charges a fee for rentals to help it cover all or most of the cost of certain services it provides. Rental income from boat slips and a restaurant building at Okee-Tantie Campground and Marina are reported here. Currently the campground and store are closed.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds; not the County as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law and by bond covenants. However, the County Commission establishes many other funds to help it control and manage money for particular purposes (i.e. Landfill Trust Fund and Capital Projects Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from State Housing Initiative Program). The County's three kinds of funds, governmental, proprietary, and fiduciary, use different accounting approaches.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Fund Financial Statements (Continued)

- **Governmental Funds** – Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are nonspendable, restricted, committed, assigned, or unassigned. These classifications of fund balance show the nature and extent of constraints placed on the County's fund balances by law, creditors, County Commission, and the County's annually adopted budget. Unassigned fund balance is available for spending for any purpose. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental *funds* in reconciliation at the bottom of the fund financial statements.

- **Proprietary Funds** – When the County charges customers for the services it provides—whether to outside customers or to other units of the County—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the County's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

- **Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. All of the County's fiduciary activities are reported in separate statement of fiduciary net position, and separate statement of changes in fiduciary net position. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information containing information on pension and other postemployment benefits. The combining statements referred to earlier in connection with nonmajor governmental funds and fiduciary funds are presented immediately following the required supplementary information.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The comparison of net position from year to year serves to measure government's financial position. As of September 30, 2021, assets exceeded liabilities by \$100.3 million (net position).

**Statement of Net Position
(in Millions)**

	Governmental Activities		Business-Type Activities		Total Entity	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 59.41	\$ 49.57	\$ 0.12	\$ 0.14	\$ 59.53	\$ 49.71
Capital Assets, Net of Depreciation	89.65	84.37	2.70	2.71	92.35	87.08
Total Assets	<u>149.06</u>	<u>133.94</u>	<u>2.82</u>	<u>2.85</u>	<u>151.88</u>	<u>136.79</u>
Deferred Outflows of Resources	11.10	15.59	-	-	11.10	15.59
Current and Other Liabilities	15.55	6.04	0.02	0.01	15.57	6.05
Long-Term Debt	22.72	54.11	-	-	22.72	54.11
Total Liabilities	<u>38.27</u>	<u>60.15</u>	<u>0.02</u>	<u>0.01</u>	<u>38.29</u>	<u>60.16</u>
Deferred Inflows of Resources	24.40	0.79	-	-	24.40	0.79
Net Position:						
Net Investment in Capital Assets	86.15	82.43	2.69	2.71	88.84	85.14
Restricted	14.77	13.23	-	-	14.77	13.23
Unrestricted	(3.43)	(7.07)	0.11	0.13	(3.32)	(6.94)
Total Net Position	<u>\$ 97.49</u>	<u>\$ 88.59</u>	<u>\$ 2.80</u>	<u>\$ 2.84</u>	<u>\$ 100.29</u>	<u>\$ 91.43</u>

Net investment in capital assets, which consists of capital assets (e.g. land, buildings, equipment, and infrastructure), net of accumulated depreciation, reduced by any related debt used to acquire those assets still outstanding, represents 88.6% of the County's net position. These capital assets are used to provide services to the citizens and, therefore, are not available for future spending. Resources necessary to cover debt must be provided from other sources since the capital assets cannot be used to liquidate these liabilities.

Restricted net position represents 14.7% of total net position and is obligated for a specific purpose. Unrestricted net position represents -3.3% of total net position and may be used to meet ongoing obligations of the County without restriction.

The following schedule compares revenues and expenditures of the entire County for the current and previous fiscal year. Total revenue for the County increased 11.7% over the prior year. Approximately 30.5% of revenues are derived from property taxes and 17.1% from other taxes. Approximately 24.9% of revenues come from charges for services, 8.5% from state shared revenues, 4.9% from Solid Waste Host Fees, and 12.7% from grants and contributions. Total expenses decreased 11.9% over last year.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

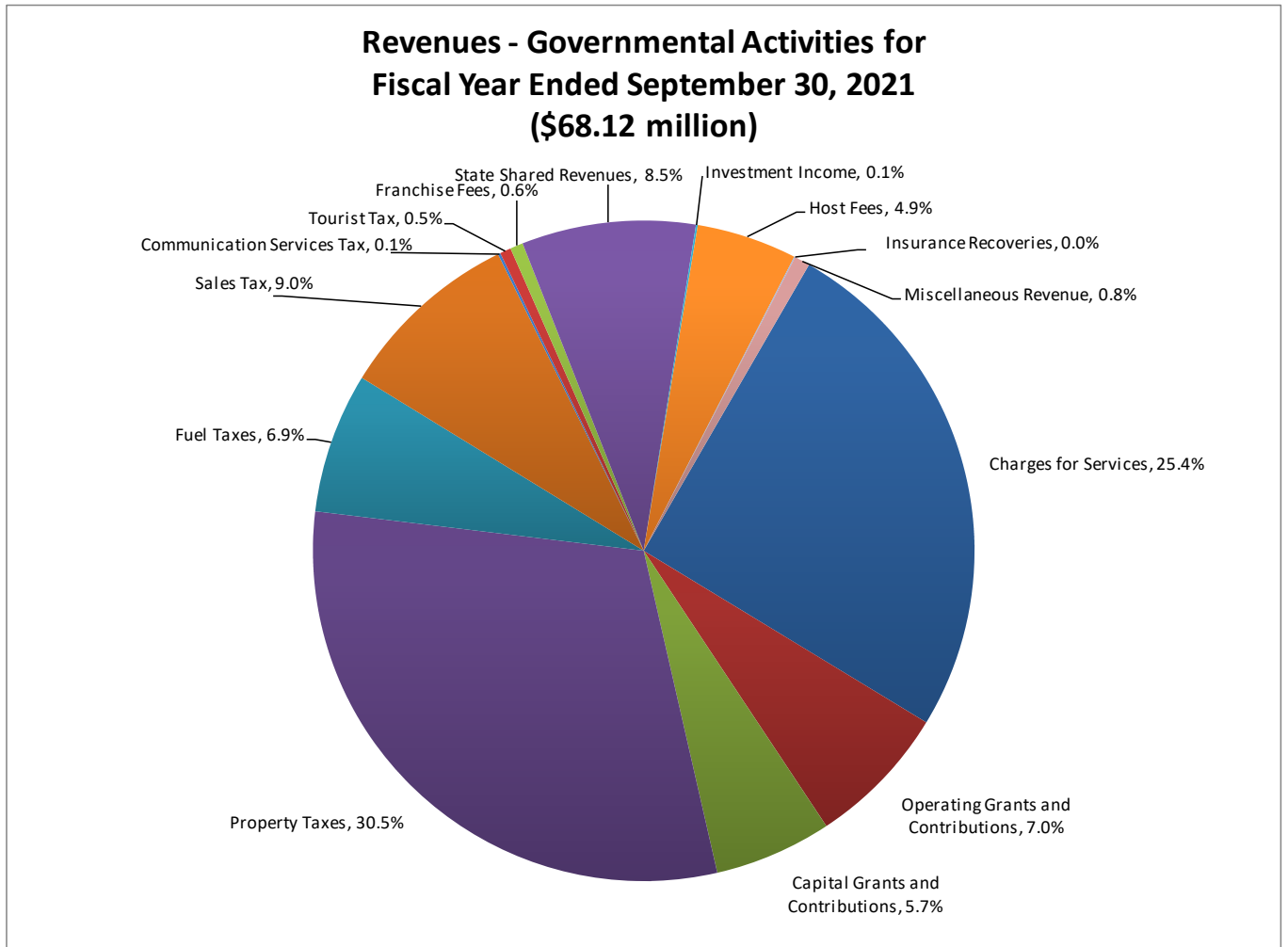
**Changes in Net Position
(Dollars in Millions)**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services	\$ 16.94	\$ 14.45	\$ 0.05	\$ 0.05	\$ 16.99	\$ 14.50
Operating Grants and Contributions	4.76	2.83	-	-	4.76	2.83
Capital Grants and Contributions	3.91	2.31	-	-	3.91	2.31
General Revenues:						
Taxes:						
Property Taxes	20.76	20.66	-	-	20.76	20.66
Fuel Taxes	4.68	4.30	-	-	4.68	4.30
Sales Tax	6.11	5.40	-	-	6.11	5.40
Communication Services Tax	0.08	0.08	-	-	0.08	0.08
Tourist Tax	0.37	0.36	-	-	0.37	0.36
Franchise Fees	0.43	0.43	-	-	0.43	0.43
State Shared Revenues	5.79	5.38	-	-	5.79	5.38
Investment Income	0.06	0.66	-	-	0.06	0.66
Host Fees	3.34	3.43	-	-	3.34	3.43
Insurance Recoveries	0.03	0.09	-	-	0.03	0.09
Miscellaneous Revenue	0.52	0.57	-	-	0.52	0.57
Gain on Sale of Asset	0.34	0.03	-	-	0.34	0.03
Total Revenues	<u>68.12</u>	<u>60.98</u>	<u>0.05</u>	<u>0.05</u>	<u>68.17</u>	<u>61.03</u>
Expenses:						
General Government	14.38	15.40	-	-	14.38	15.40
Public Safety	28.71	33.50	-	-	28.71	33.50
Physical Environment	2.97	3.13	-	-	2.97	3.13
Transportation	6.55	8.69	-	-	6.55	8.69
Economic Environment	2.26	2.19	-	-	2.26	2.19
Human Services	1.83	1.95	-	-	1.83	1.95
Culture and Recreation	2.49	2.33	-	-	2.49	2.33
Debt Service:						
Interest and Fiscal Charges	0.05	0.04	-	-	0.05	0.04
Campground and Marina	-	-	0.09	0.08	0.09	0.08
Total Expenses	<u>59.24</u>	<u>67.23</u>	<u>0.09</u>	<u>0.08</u>	<u>59.33</u>	<u>67.31</u>
Change in Net Position	8.88	(6.25)	(0.04)	(0.03)	8.84	(6.28)
Net Position - Beginning	88.59	94.84	2.84	2.87	91.43	97.71
Restatement	0.02	-	-	-	0.02	-
Net Position - Beginning, as Restated	<u>88.61</u>	<u>94.84</u>	<u>2.84</u>	<u>2.87</u>	<u>91.45</u>	<u>97.71</u>
Net Position - Ending	<u>\$ 97.49</u>	<u>\$ 88.59</u>	<u>\$ 2.80</u>	<u>\$ 2.84</u>	<u>\$ 100.29</u>	<u>\$ 91.43</u>

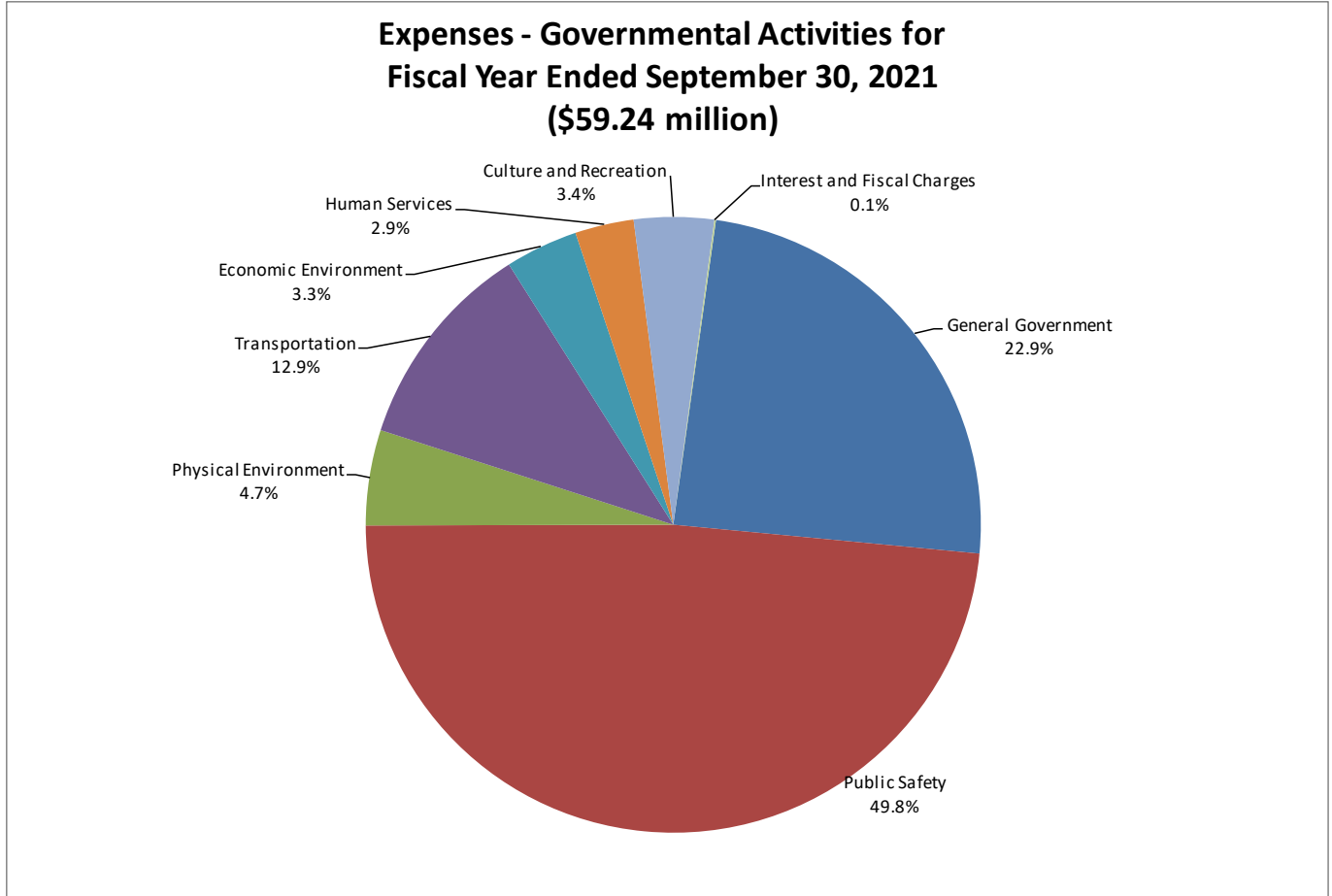
**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Governmental Activities: Revenues for the County's governmental activities increased \$7.1 million over the prior year. The cost of all governmental activities this year was \$59.2 million, a decrease of \$8.0 million (11.9%) from the prior year. The amount that our taxpayers ultimately financed for these activities through property taxes was \$20.7 million. The area representing the largest decrease in expense was public safety, which decreased \$4.8 million primarily due to change in pension expense. Additionally, transportation expense decreased \$2.1 million related to the completion of two major road construction projects. The change in net position for the year was a positive \$8.9 million reflecting a 242.1% increase over the prior year change in net position of negative \$6.3 million.

The following charts depict revenues and expenses of the governmental activities for the fiscal year:



**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**



Business-Type Activities: Net position of business-type activities decreased by \$38,232 over the prior year. Revenues and expenses of business-type activities remained relatively unchanged.

FINANCIAL ANALYSIS OF OKEECHOBEE COUNTY'S FUNDS

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

Governmental Funds

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

As of September 30, 2021, governmental funds reported combined fund balances of \$41.5 million, an increase of \$0.6 million from the prior year balance.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Governmental Funds (Continued)

The General Fund is the operating fund of the County. At September 30, 2021, total fund balance in the General Fund was \$14.6 million, with the majority, \$14.3 million, being unassigned. As a measure of the General Fund's liquidity, the total unassigned fund balance divided by the total fund annual expenditures equals a percentage of 41.3%. This indicates that 41.3% (5 months approximately) of the year's General Fund expenditures could be paid from unassigned General Fund balances. Revenues, transfer in, insurance recoveries, and issuance of debt exceeded expenditures and transfers out for the fiscal year by \$1.1 million.

The Transportation Trust fund is used to fund the maintenance and operations of the County's transportation facilities, such as streets and drainage. At September 30, 2021, total fund balance in the Transportation Trust Fund was \$446,194. Revenues for the fiscal year exceeded expenditures by \$1.1 million due primarily to the County assuming control of the FBO (Fixed Based Operation) at the Airport, which included fuel sales and aircraft services. In addition, the timing of grant reimbursements related to the FDOT projects at the Okeechobee County Airport and reconstruction projects for NE 36th Blvd (Cemetery Road) and County Road 68 (Micco Bluff).

The Fire/Rescue Fund is used to fund fire suppression and emergency medical services of the unincorporated area of the county. At September 30, 2021, total fund balance in the Fire Rescue Fund was \$1.6 million, substantially all of which is assigned. The net decrease in fund balance during the current fiscal year was \$0.3 million due to the issuance of debt for the purchase of a fire engine and ambulance.

The Landfill Trust Fund is used to account for a portion of solid waste host fees assessed to the private contractor operating the Okeechobee Landfill committed to a reserve to allow the County funds to provide this service should the landfill revert back to the County. The County has established a minimum fund balance of \$2.5 million for the purpose of the trust fund. The fund also holds \$1.5 million (less any economic development expenditures) assigned for economic development, received from the contractor in lieu of property. At September 30, 2021, total fund balance was \$7.8 million, of which \$7.1 million was committed and \$0.7 was assigned for economic development. The net decrease in fund balance during the current fiscal year was \$2.0 million due to the transfers out during the fiscal year and the purchase of the FBO operations at the Airport.

The Special Grants Fund has a total fund balance of \$0.9 million, of which \$0.9 million is assigned. There was no change in the fund balance as total revenues equaled total expenditures within the fund.

The Capital Improvement Fund has a total fund balance of \$2.4 million. The net decrease in the fund balance during the current fiscal year was \$0.2 million. Some of these projects include the Fire Station 2 Renovation, Library Roof Replacement, Jail Expansion/Renovation and Judicial Center Chiller Replacement.

The Road Improvement Fund has a total fund balance of \$5.8 million. The net decrease in the fund balance during the current fiscal year was \$306,436. Some of these projects include Oak Lake Estates Drainage Improvements and Potter Road Swale Reconstruction.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail, and on a fund basis for the enterprise funds.

At September 30, 2021, total net position amounted to \$2.8 million for enterprise funds of which \$2.7 million is investment in capital assets and \$0.1 million is unrestricted. The net decrease in net position during the fiscal year was \$38,232.

The net operating income (loss) of the Enterprise Funds for the fiscal year 2021 was as follows:

Enterprise Operating Income (Loss)			
(in Millions)			
	2021	2020	% Change
Okee-Tantie	<u>\$ (0.04)</u>	<u>\$ (0.03)</u>	(33.33)%

BUDGETARY HIGHLIGHTS

Budgetary statements and schedules, as listed in the table of contents, present the original adopted budgets and final adopted budgets for fiscal year 2021. The actual results of operations are also presented with a variance column showing the difference of actual results to the final budget.

Over the course of the year, the County revised the budget several times; increasing total appropriations in the General Fund \$2.3 million from the original to the final budget, primarily in General Government, Public Safety, Human Services, and Culture and Recreation. These budget amendments fall into several categories. The first category includes amendments and supplemental appropriations of \$7.3 million that were approved after the beginning of the year as a result of unanticipated revenues. The second category includes prior year encumbrances for items or services not received by September 30 of that year and were carried forward as a purchase order into the beginning of the current year. The third category includes an amendment to adjust estimated fund balances which are projected during the budget process to the audited funded balances as of September 30.

For the General Fund, a comparison of the final operating budget revenues compared to actual revenues produces a positive variance of \$1.5 million due primarily to receiving tax revenue than budgeted. Actual expenditures and transfers out were lower than final budgeted expenditures by \$2.2 million due primarily to not spending the entire amounts budgeted for personnel, operating, and capital outlay.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of September 30, 2021, capital assets net of depreciation for its governmental activities and business-type activities are \$84.4 million and \$2.7 million, respectively. Investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress. As of September 30, 2021, construction in progress accounted for \$8.4 million of capital assets. The total increase in the County's investment in capital assets for the current fiscal year was \$3.7 million. This is primarily due to current year additions of \$9.7 million. This is offset by the depreciation of buildings and equipment, which represented \$5.8 million.

The following is a comparison of capital asset activity for the years ended September 30, 2021 and 2020.

Capital Assets (in Millions)

	Governmental Activities		Business-Type Activities		Entity Total	
	2021	2020	2021	2020	2021	2020
Capital Assets Not Being Depreciated:						
Land	\$ 5.20	\$ 5.56	\$ 2.42	\$ 2.42	\$ 7.62	\$ 7.98
Construction in Progress	6.24	8.40	-	-	6.24	8.40
Capital Assets, Net of Accumulated Depreciation:						
Buildings and Improvements	42.33	39.26	0.28	0.29	42.61	39.55
Machinery and Equipment	8.13	7.78	-	-	8.13	7.78
Computer Software	0.47	0.21	-	-	0.47	0.21
Infrastructure	27.28	23.16	-	-	27.28	23.16
Total Capital Assets, Net	<u>\$ 89.65</u>	<u>\$ 84.37</u>	<u>\$ 2.70</u>	<u>\$ 2.71</u>	<u>\$ 92.35</u>	<u>\$ 87.08</u>

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

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Long-Term Debt

At the end of the current fiscal year, the County had total general long-term debt outstanding of \$1.41 million, an 33% increase over the prior year. The following is a comparison of long-term debt activity for the years ended September 30, 2021 and 2020.

	Governmental Activities		
	2021	2020	% Change
Notes Payable: Direct Borrowings	\$ 0.96	\$ 0.31	209.7%
Capital Leases	0.45	0.75	-40.0%
Total Long-Term Debt	\$ 1.41	\$ 1.06	33.0%

The \$350,000 increase in long-term debt is a result of current year payments on debt of offset by issuance of new debt. Additional information on long-term debt can be found in Notes 6 to the financial statements.

COMMITMENTS AND CONTINGENCIES

Contingent liabilities are disclosed in the notes to the financial statement and can be found in Note 17.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The millage rate for fiscal year 2021-2022 was set at 8.0000 mills, which is greater than the rollback rate for the General Fund. This is the same rate from the 2020-2021 fiscal year. The County Commissioners considered many factors when setting the fiscal year 2021-2022 budget, including tax rates, fees that will be charged for services and a reduction in spending.

One of those factors is the economy, which has shown slight improvement in employment rates, since the Pandemic, due to businesses opening back up to full capacity. The County's average unemployment rate decreased to 2.7% versus 4.4% a year ago. This is less than the State's unemployment rate of 3.2%, according to the U.S. Bureau of Labor Statistics (Source: www.thefloridascarecard.org). Another factor, which is having a negative effect on the economy, is inflation, with rates rising above 8% over the last year.

Okeechobee's estimated 2021 population is 39,148, a 1.3% decrease below the 2020 Census, according to the Florida Legislature, Office of Economic and Demographic Research.

Property values increased from \$2.55 billion in 2020 to \$2.79 billion in 2021, resulting in a 9.16% increase in taxable property. With the current year increase, property values exceed the peak amounts in 2008 by 27%.

With the Coronavirus Pandemic subsiding, the economy is still struggling to recover. The Pandemic is still having significant effects on global markets, supply chains, businesses, and communities, causing the cost of living to rise significantly. Management believes the County is taking appropriate actions to mitigate the negative impact.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Request for Information

The financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed as follows: Okeechobee County, Finance Department, 312 NW 3rd Street, Okeechobee, Florida 34972.

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OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 52,151,892	\$ 120,311	\$ 52,272,203
Accounts Receivable - Net	2,112,254	2,617	2,114,871
Due from Other Governments	4,690,222	-	4,690,222
Prepaid Items	305,456	-	305,456
Assets Available for Sale	148,826	-	148,826
Capital Assets not being Depreciated	11,430,937	2,421,000	13,851,937
Capital Assets, Net of Depreciation	<u>78,220,845</u>	<u>275,275</u>	<u>78,496,120</u>
Total Assets	149,060,432	2,819,203	151,879,635
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Items	8,541,978	-	8,541,978
OPEB Related Items	<u>2,556,247</u>	-	<u>2,556,247</u>
Total Deferred Outflows of Resources	11,098,225	-	11,098,225
LIABILITIES			
Accounts Payable and Accrued Liabilities	4,769,280	6,640	4,775,920
Accrued Interest Payable	24,270	-	24,270
Due to Other Governments	265,229	-	265,229
Unearned Revenue	9,782,575	-	9,782,575
Deposits	707,868	8,673	716,541
Noncurrent Liabilities:			
Due within One Year	2,684,062	-	2,684,062
Due in More than One Year	1,673,005	-	1,673,005
Net Pension Liability	13,372,839	-	13,372,839
Total OPEB Liability	<u>4,989,838</u>	-	<u>4,989,838</u>
Total Liabilities	38,268,966	15,313	38,284,279
DEFERRED INFLOWS OF RESOURCES			
Pension Related Items	23,739,456	-	23,739,456
OPEB Related Items	<u>659,335</u>	-	<u>659,335</u>
Total Deferred Inflows of Resources	<u>24,398,791</u>	-	<u>24,398,791</u>
NET POSITION			
Net Investment in Capital Assets	86,153,504	2,696,275	88,849,779
Restricted for:			
General Government	1,067,047	-	1,067,047
Public Safety	2,014,008	-	2,014,008
Transportation	9,289,655	-	9,289,655
Community Programs	978,265	-	978,265
Tourism	1,097,003	-	1,097,003
Culture and Recreation	322,656	-	322,656
Unrestricted	<u>(3,431,238)</u>	<u>107,615</u>	<u>(3,323,623)</u>
Total Net Position	<u>\$ 97,490,900</u>	<u>\$ 2,803,890</u>	<u>\$ 100,294,790</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary Government:							
Governmental Activities:							
General Government	\$ 14,384,989	\$ 2,793,345	\$ 686,880	\$ 25,173	\$ (10,879,591)	\$ -	\$ (10,879,591)
Public Safety	28,713,442	9,993,572	1,087,791	513,141	(17,118,938)	-	(17,118,938)
Physical Environment	2,968,887	2,947,939	110,097	382,203	471,352	-	471,352
Transportation	6,558,699	763,344	-	2,990,265	(2,805,090)	-	(2,805,090)
Economic Environment	2,264,943	-	2,144,527	-	(120,416)	-	(120,416)
Human Services	1,827,268	17,416	553,959	-	(1,255,893)	-	(1,255,893)
Culture and Recreation	2,492,801	421,542	181,565	-	(1,889,694)	-	(1,889,694)
Debt Service:							
Interest	48,446	-	-	-	(48,446)	-	(48,446)
Total Governmental Activities	59,259,475	16,937,158	4,764,819	3,910,782	(33,646,716)	-	(33,646,716)
Business-Type Activities:							
Campground and Marina	89,206	50,801	-	-	-	(38,405)	(38,405)
Total Business-Type Activities	89,206	50,801	-	-	-	(38,405)	(38,405)
Total Primary Government	<u>\$ 59,348,681</u>	<u>\$ 16,987,959</u>	<u>\$ 4,764,819</u>	<u>\$ 3,910,782</u>	(33,646,716)	(38,405)	(33,685,121)
General Revenues:							
Taxes:							
Property Taxes					20,758,681	-	20,758,681
Fuel Taxes					4,680,058	-	4,680,058
Sales Tax					6,109,762	-	6,109,762
Communication Services Tax					83,622	-	83,622
Tourist Tax					372,866	-	372,866
Franchise Fees					432,235	-	432,235
State Shared Revenues					5,792,023	-	5,792,023
Investment Income					64,034	84	64,118
Host Fees					3,339,499	-	3,339,499
Insurance Recoveries					34,421	-	34,421
Miscellaneous					520,016	89	520,105
Gain on Sale of Asset					341,230	-	341,230
Total General Revenues					42,528,447	173	42,528,620
Change in Net Position					8,881,731	(38,232)	8,843,499
Net Position - Beginning of the Year					88,592,095	2,842,122	91,434,217
Change in Accounting Principle (Note 20)					17,074	-	17,074
Net Position - Beginning of the Year, as Restated					88,609,169	2,842,122	91,451,291
Net Position - End of Year					<u>\$ 97,490,900</u>	<u>\$ 2,803,890</u>	<u>\$ 100,294,790</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General	Transportation Trust	Fire/ Rescue	Landfill Trust	Special Grants	Capital Improvement	Road Improvement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS									
Cash and Cash Equivalents	\$ 10,148,824	\$ 2,284,820	\$ 633,155	\$ 5,228,437	\$ 10,286,767	\$ 1,990,192	\$ 3,280,775	\$ 7,105,555	\$ 40,958,525
Investments	2,920,002	527,385	1,012,063	2,437,610	-	-	2,461,544	1,834,763	11,193,367
Accounts Receivable, Net	315,546	87,644	814,025	-	-	845,023	-	50,016	2,112,254
Due from Other Funds	1,300,000	-	-	-	-	-	-	236,953	1,536,953
Due from Other Governments	1,690,765	2,131,096	-	63,496	-	-	171,355	633,510	4,690,222
Prepaid Items	177,713	4,269	71,081	-	-	3,496	-	48,897	305,456
Advances to Other Funds	-	-	-	500,000	-	-	-	-	500,000
Assets Available for Sale	-	-	-	-	52,826	-	-	96,000	148,826
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 16,552,850</u>	<u>\$ 5,035,214</u>	<u>\$ 2,530,324</u>	<u>\$ 8,229,543</u>	<u>\$ 10,339,593</u>	<u>\$ 2,838,711</u>	<u>\$ 5,913,674</u>	<u>\$ 10,005,694</u>	<u>\$ 61,445,603</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)									
Liabilities:									
Accounts Payable and Accrued Liabilities	\$ 1,289,534	\$ 1,499,110	\$ 573,261	\$ 1,486	\$ 7,314	\$ 460,737	\$ 161,109	\$ 776,729	\$ 4,769,280
Due to Other Funds	186,324	1,300,000	-	-	21,516	-	-	29,113	1,536,953
Due to Other Governments	13,174	-	-	-	-	-	-	252,055	265,229
Unearned Revenue	287,412	100,000	-	-	9,395,163	-	-	-	9,782,575
Deposits	42,969	30,250	-	400,000	-	250	-	234,399	707,868
Advances from Other Funds	-	-	-	-	-	-	-	500,000	500,000
Total Liabilities	<u>1,819,413</u>	<u>2,929,360</u>	<u>573,261</u>	<u>401,486</u>	<u>9,423,993</u>	<u>460,987</u>	<u>161,109</u>	<u>1,792,296</u>	<u>17,561,905</u>
Deferred Inflows of Resources:									
Unavailable Revenue:									
Intergovernmental	178,579	1,659,660	-	63,496	-	-	-	111,342	2,013,077
Emergency Medical Services	-	-	401,119	-	-	-	-	-	401,119
Total Deferred Inflows of Resources	<u>178,579</u>	<u>1,659,660</u>	<u>401,119</u>	<u>63,496</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,342</u>	<u>2,414,196</u>
Fund Balances (Deficits):									
Nonspendable	177,713	4,269	71,081	-	-	3,496	-	48,897	305,456
Restricted	117,669	441,925	-	-	50,067	-	5,752,565	5,201,392	11,563,618
Committed	-	-	-	7,052,441	-	-	-	1,598,898	8,651,339
Assigned	-	-	1,484,863	712,120	865,533	2,374,228	-	1,264,117	6,700,861
Unassigned	14,259,476	-	-	-	-	-	-	(11,248)	14,248,228
Total Fund Balances (Deficits)	<u>14,554,858</u>	<u>446,194</u>	<u>1,555,944</u>	<u>7,764,561</u>	<u>915,600</u>	<u>2,377,724</u>	<u>5,752,565</u>	<u>8,102,056</u>	<u>41,469,502</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 16,552,850</u>	<u>\$ 5,035,214</u>	<u>\$ 2,530,324</u>	<u>\$ 8,229,543</u>	<u>\$ 10,339,593</u>	<u>\$ 2,838,711</u>	<u>\$ 5,913,674</u>	<u>\$ 10,005,694</u>	<u>\$ 61,445,603</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
RECONCILIATION OF FUND BALANCES FOR GOVERNMENTAL
FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021**

Fund Balances - Total Governmental Funds	\$ 41,469,502
 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 funds.	89,651,782
Certain receivables are not available to pay current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.	2,414,196
Long-term liabilities, including notes payable, capital leases, and accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(4,357,067)
Accrued general long-term debt interest expense is not due and payable in the current period and therefore, is not reported in the funds.	(24,270)
Net pension liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds.	(28,570,317)
Total other postemployment benefits liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds.	<u>(3,092,926)</u>
Net Position of Governmental Activities	<u><u>\$ 97,490,900</u></u>

See accompanying Notes to Financial Statements.

OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021

	General	Transportation Trust	Fire/ Rescue	Landfill Trust	Special Grants	Capital Improvement	Road Improvement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES									
Taxes	\$ 27,538,851	\$ 1,866,974	\$ -	\$ -	\$ -	\$ -	\$ 975,210	\$ 1,350,428	\$ 31,731,463
Licenses and Permits	43,535	14,200	-	-	-	-	-	1,011,230	1,068,965
Intergovernmental	5,791,118	5,326,254	362,883	65,545	1,509,288	500,000	382,203	1,558,736	15,496,027
Charges for Services	1,923,529	734,500	1,485,715	-	-	-	-	2,106,460	6,250,204
Fines and Forfeitures	138,092	-	-	-	-	-	-	538,354	676,446
Special Assessments	-	3,471	5,867,211	-	-	-	-	2,699,138	8,569,820
Investment Income	25,348	3,472	3,027	10,507	-	6,705	460	22,341	71,860
Miscellaneous	686,667	43,015	72,487	335,108	-	2,572,906	-	501,622	4,211,805
Total Revenues	36,147,140	7,991,886	7,791,323	411,160	1,509,288	3,079,611	1,357,873	9,788,309	68,076,590
EXPENDITURES									
Current:									
General Government	9,313,820	-	-	-	-	372,226	-	2,278,195	11,964,241
Public Safety	19,551,918	-	7,169,612	89,626	-	24,198	-	2,422,839	29,258,193
Physical Environment	266,840	-	-	-	-	-	-	2,820,018	3,086,858
Transportation	-	4,256,093	-	-	-	-	1,018,058	-	5,274,151
Economic Environment	80,442	-	-	-	1,344,402	-	-	853,141	2,277,985
Human Services	1,837,997	-	-	-	-	-	-	-	1,837,997
Culture and Recreation	2,105,445	-	-	-	-	-	-	796	2,106,241
Capital Outlay	1,043,313	2,780,028	1,222,986	-	-	5,219,782	646,251	107,015	11,019,375
Debt Service:									
Principal Retirement	297,976	-	149,476	1,315,196	-	-	-	-	1,762,648
Interest	21,978	-	11,060	-	-	-	-	-	33,038
Total Expenditures	34,519,729	7,036,121	8,553,134	1,404,822	1,344,402	5,616,206	1,664,309	8,482,004	68,620,727
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,627,411	955,765	(761,811)	(993,662)	164,886	(2,536,595)	(306,436)	1,306,305	(544,137)
OTHER FINANCING SOURCES (USES)									
Transfers In	1,470,899	60,000	57,682	-	-	1,997,414	-	540,510	4,126,505
Transfers Out	(1,997,414)	-	(373,200)	(1,014,000)	(165,015)	-	-	(576,876)	(4,126,505)
Insurance Recoveries	22,595	1,751	7,612	-	-	-	-	2,464	34,422
Sale of Surplus Assets	1,900	50,426	2,705	-	-	286,200	-	-	341,231
Issuance of Debt	-	-	750,000	-	-	52,750	-	-	802,750
Total Other Financing Sources (Uses)	(502,020)	112,177	444,799	(1,014,000)	(165,015)	2,336,364	-	(33,902)	1,178,403
NET CHANGE IN FUND BALANCES	1,125,391	1,067,942	(317,012)	(2,007,662)	(129)	(200,231)	(306,436)	1,272,403	634,266
Fund Balances - Beginning of Year, as Previously Reported	13,429,467	(621,748)	1,872,956	9,772,223	915,729	2,577,955	6,059,001	6,812,579	40,818,162
Change in Accounting Principle (See Note 20)	-	-	-	-	-	-	-	17,074	17,074
Fund Balances - Beginning of Year, as Restated	13,429,467	(621,748)	1,872,956	9,772,223	915,729	2,577,955	6,059,001	6,829,653	40,835,236
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 14,554,858</u>	<u>\$ 446,194</u>	<u>\$ 1,555,944</u>	<u>\$ 7,764,561</u>	<u>\$ 915,600</u>	<u>\$ 2,377,724</u>	<u>\$ 5,752,565</u>	<u>\$ 8,102,056</u>	<u>\$ 41,469,502</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021**

Net Change in Fund Balances - Total Governmental Funds	\$ 634,266
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 allocated over their estimated useful lives as depreciation or amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period.	5,749,822
In the Statement of Activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net position differs from the change in fund balance by the cost of capital assets sold.	(466,359)
Long-term liabilities are reported in the Statement of Net Position but not in the governmental funds because they are not due and payable in the current period. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(355,298)
Some revenues reported in the Statement of Activities will not be collected for several months after the fiscal year and, therefore, are not reported as revenue in the governmental funds.	(311,037)
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.	1,280,912
Changes in net pension liability and related pension amounts reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	2,883,011
Changes in total other postemployment benefits (OPEB) liability and related OPEB amounts reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>(533,586)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 8,881,731</u></u>

See accompanying Notes to Financial Statements.

OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 23,347,370	\$ 26,260,294	\$ 27,538,851	\$ 1,278,557
Licenses and Permits	43,000	43,000	43,535	535
Intergovernmental	5,395,255	5,437,981	5,791,118	353,137
Charges for Services	1,826,626	2,043,999	1,923,529	(120,470)
Fines and Forfeitures	79,100	84,100	138,092	53,992
Investment Income	208,989	140,003	25,348	(114,655)
Miscellaneous	2,409,630	668,840	686,667	17,827
Total Revenues	<u>33,309,970</u>	<u>34,678,217</u>	<u>36,147,140</u>	<u>1,468,923</u>
EXPENDITURES				
Current:				
General Government	9,741,482	10,157,693	9,313,820	843,873
Public Safety	19,319,510	20,248,498	19,551,918	696,580
Physical Environment	266,633	278,311	266,840	11,471
Economic Environment	89,404	94,482	80,442	14,040
Human Services	2,214,442	2,536,105	1,837,997	698,108
Culture and Recreation	1,767,381	2,199,747	2,105,445	94,302
Capital Outlay	678,663	857,230	1,043,313	(186,083)
Debt Service:				
Principal	319,195	319,195	297,976	21,219
Interest	28,298	28,298	21,978	6,320
Total Expenditures	<u>34,425,008</u>	<u>36,719,559</u>	<u>34,519,729</u>	<u>2,199,830</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,115,038)	(2,041,342)	1,627,411	3,668,753
OTHER FINANCING SOURCES (USES)				
Transfers In	1,646,776	1,800,952	1,470,899	(330,053)
Transfers Out	-	(1,997,414)	(1,997,414)	-
Insurance Recoveries	-	22,595	22,595	-
Sale of Surplus Assets	-	-	1,900	1,900
Total Other Financing Sources (Uses)	<u>1,646,776</u>	<u>(173,867)</u>	<u>(502,020)</u>	<u>(328,153)</u>
NET CHANGE IN FUND BALANCE	531,738	(2,215,209)	1,125,391	3,340,600
Fund Balance - Beginning of Year	<u>7,342,181</u>	<u>12,279,974</u>	<u>13,429,467</u>	<u>1,149,493</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 7,873,919</u></u>	<u><u>\$ 10,064,765</u></u>	<u><u>\$ 14,554,858</u></u>	<u><u>\$ 4,490,093</u></u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
TRANSPORTATION TRUST
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,971,199	\$ 1,765,426	\$ 1,866,974	\$ 101,548
Licenses and Permits	7,000	9,000	14,200	5,200
Intergovernmental	1,957,261	7,300,140	5,326,254	(1,973,886)
Charges for Services	254,186	760,779	734,500	(26,279)
Special Assessments	3,600	3,600	3,471	(129)
Investment Income	100,000	50,000	3,472	(46,528)
Miscellaneous	20,760	25,760	43,015	17,255
Total Revenues	<u>4,314,006</u>	<u>9,914,705</u>	<u>7,991,886</u>	<u>(1,922,819)</u>
EXPENDITURES				
Current:				
Transportation	4,069,446	4,832,554	4,256,093	576,461
Capital Outlay	724,869	3,633,270	2,780,028	853,242
Total Expenditures	<u>4,794,315</u>	<u>8,465,824</u>	<u>7,036,121</u>	<u>1,429,703</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(480,309)	1,448,881	955,765	(493,116)
OTHER FINANCING SOURCES				
Transfers In	-	60,000	60,000	-
Insurance Recoveries	-	1,751	1,751	-
Sale of Surplus Assets	-	100,850	50,426	(50,424)
Total Other Financing Sources	<u>-</u>	<u>162,601</u>	<u>112,177</u>	<u>(50,424)</u>
NET CHANGE IN FUND BALANCE	(480,309)	1,611,482	1,067,942	(543,540)
Fund Balance (Deficit) - Beginning of Year	1,644,021	4,158,484	(621,748)	(4,780,232)
FUND BALANCE - END OF YEAR	<u>\$ 1,163,712</u>	<u>\$ 5,769,966</u>	<u>\$ 446,194</u>	<u>\$ (5,323,772)</u>

See accompanying Notes to Financial Statements.

OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
FIRE/RESCUE FUND
YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 18,500	\$ 141,299	\$ 362,883	\$ 221,584
Charges for Services	1,383,246	1,509,053	1,485,715	(23,338)
Special Assessments	5,907,926	6,292,597	5,867,211	(425,386)
Investment Income	31,000	21,000	3,027	(17,973)
Miscellaneous	80,000	80,000	72,487	(7,513)
Total Revenues	<u>7,420,672</u>	<u>8,043,949</u>	<u>7,791,323</u>	<u>(252,626)</u>
EXPENDITURES				
Current:				
Public Safety	6,402,611	7,416,625	7,169,612	247,013
Capital Outlay	621,510	1,255,270	1,222,986	32,284
Debt Service:				
Principal	143,467	149,476	149,476	-
Interest	17,069	11,060	11,060	-
Total Expenditures	<u>7,184,657</u>	<u>8,832,431</u>	<u>8,553,134</u>	<u>279,297</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	236,015	(788,482)	(761,811)	26,671
OTHER FINANCING SOURCES (USES)				
Transfers In	-	57,682	57,682	-
Transfers Out	(363,472)	(373,200)	(373,200)	-
Insurance Recoveries	-	7,612	7,612	-
Sale of Surplus Assets	-	-	2,705	2,705
Issuance of Debt	-	760,000	750,000	(10,000)
Total Other Financing Sources (Uses)	<u>(363,472)</u>	<u>452,094</u>	<u>444,799</u>	<u>(7,295)</u>
NET CHANGE IN FUND BALANCE	(127,457)	(336,388)	(317,012)	19,376
Fund Balance - Beginning of Year	<u>1,797,320</u>	<u>1,949,290</u>	<u>1,872,956</u>	<u>(76,334)</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,669,863</u>	<u>\$ 1,612,902</u>	<u>\$ 1,555,944</u>	<u>\$ (56,958)</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LANDFILL TRUST FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,967,871	\$ -	\$ 65,545	\$ 65,545
Investment Income	200,000	140,000	10,507	(129,493)
Miscellaneous	292,000	542,000	335,108	(206,892)
Total Revenues	<u>3,459,871</u>	<u>682,000</u>	<u>411,160</u>	<u>(270,840)</u>
EXPENDITURES				
Current:				
Public Safety	-	96,036	89,626	6,410
Capital Outlay	477,115	-	-	-
Debt Service:				
Principal	-	1,315,196	1,315,196	-
Total Expenditures	<u>477,115</u>	<u>1,411,232</u>	<u>1,404,822</u>	<u>6,410</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,982,756	(729,232)	(993,662)	(264,430)
OTHER FINANCING USES				
Transfers Out	<u>(1,000,000)</u>	<u>(1,014,000)</u>	<u>(1,014,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	1,982,756	(1,743,232)	(2,007,662)	(264,430)
Fund Balance - Beginning of Year	<u>9,706,060</u>	<u>9,775,737</u>	<u>9,772,223</u>	<u>(3,514)</u>
FUND BALANCE - END OF YEAR	<u>\$ 11,688,816</u>	<u>\$ 8,032,505</u>	<u>\$ 7,764,561</u>	<u>\$ (267,944)</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
SPECIAL GRANTS FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 10,945,708	\$ 1,509,288	\$ (9,436,420)
EXPENDITURES				
Current:				
Economic Environment	-	10,828,026	1,344,402	9,483,624
EXCESS OF REVENUES OVER EXPENDITURES	-	117,682	164,886	47,204
OTHER FINANCING USES				
Transfers Out	-	(117,682)	(165,015)	(47,333)
NET CHANGE IN FUND BALANCE	-	-	(129)	(129)
Fund Balance - Beginning of Year	-	-	915,729	915,729
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 915,600</u>	<u>\$ 915,600</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021**

	Business-Type Activities
	Major Fund
	Okee-Tantie
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 120,311
Accounts Receivable	2,617
Total Current Assets	122,928
Noncurrent Assets:	
Capital Assets:	
Land	2,421,000
Buildings and Improvements	953,552
Machinery and Equipment	61,594
Less: Accumulated Depreciation	(739,871)
Total Capital Assets (Net of Accumulated Depreciation)	2,696,275
Total Noncurrent Assets	2,696,275
Total Assets	2,819,203
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Liabilities	6,640
Deposits	8,673
Total Current Liabilities	15,313
NET POSITION	
Investment in Capital Assets	2,696,275
Unrestricted	107,615
Total Net Position	\$ 2,803,890

See accompanying Notes to Financial Statements.

OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2021

	Business-Type Activities
	Major Fund
	Okee-Tantie
OPERATING REVENUES	
Charges for Services	\$ 50,801
Total Operating Revenues	50,801
OPERATING EXPENSES	
General and Administrative	72,562
Depreciation	16,644
Total Operating Expenses	89,206
Operating Loss	(38,405)
NONOPERATING REVENUES	
Investment Income	84
Other income	89
Total Nonoperating Revenues	173
CHANGE IN NET POSITION	(38,232)
Net Position - Beginning of Year	2,842,122
NET POSITION - END OF YEAR	\$ 2,803,890

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	Business-Type Activities
	Major Fund
	Okee-Tantie
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Users	\$ 54,842
Cash Payments to Vendors	(65,922)
Net Cash Used by Operating Activities	(11,080)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other Income	89
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and Dividends from Investments	84
NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,907)
Cash and Cash Equivalents - Beginning of Year	131,218
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 120,311
RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$ (38,405)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	16,644
Decrease in Accounts Receivable	2,958
Increase in Accounts Payable and Accrued Liabilities	6,640
Increase in Deposits	1,083
Total Adjustments	27,325
Net Cash Used by Operating Activities	\$ (11,080)

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Custodial Funds
ASSETS	
Cash	\$ 1,859,054
Due from Others	445
Total Assets	1,859,499
LIABILITIES	
Due to Others	139,049
Due to Other Governments	372,921
Deposit	223,666
Total Liabilities	735,636
FIDUCIARY NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	\$ 1,123,863

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	Custodial Funds
ADDITIONS	
Fees, Fines, and Taxes Collected for Other Governments	\$ 38,408,533
Registry and Other Deposits Collected	8,140,544
Collections from Individuals	774,260
Total Additions	47,323,337
DEDUCTIONS	
Fees, Fines, and Taxes Disbursed to Other Governments	38,408,533
Registry and Other Deposits Disbursed	7,454,043
Payments to Other Governments, Entities, or Individuals	770,210
Total Deductions	46,632,786
CHANGE IN FIDUCIARY NET POSITION	690,551
Fiduciary Net Position - Beginning of Year (Restated, See Note 20)	433,312
FIDUCIARY NET POSITION - END OF YEAR	\$ 1,123,863

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of these financial statements.

Reporting Entity

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

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

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

Accounting principles generally accepted in the United States of America require that these financial statements include all entities for which the County is considered to be financially accountable (component units). The County is financially responsible if it appoints a voting majority of the organization's governing body and (a) is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. If a component unit is, in substance, part of the government's operations, it should be reported as a blended component unit. Otherwise, a component unit should be discretely presented. Based on these criteria, the County management determined that there are no component units.

The County did not participate in any joint ventures during the 2020-2021 fiscal year.

Basic Financial Statements

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements

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

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

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

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

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

The County's fiduciary funds are presented in the fund financial statements by type. Since these assets are being held for the benefit of third parties (other local governments and individuals) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

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

Fund financial statements for the primary governments' governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. The fiduciary funds of the County primarily represent assets held by the County in a custodial capacity for other individuals or governments.

When both restricted and unrestricted resources are combined in a fund, expenses are considered to be paid first from restricted resources and then from unrestricted resources.

Governmental Funds

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

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

Proprietary Funds

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

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

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

Basis of Presentation

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

The County considers the Capital Improvement, Road Improvement, and Okee-Tantie funds important to financial statement users because of public interest and are therefore reporting those funds as major funds even though the quantitative criteria has not been met.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Governmental Major Funds

General Fund – The General Fund is the County’s primary operating fund. It accounts for all the financial resources of the general government, except for those required to be accounted for in another fund.

Transportation Trust Fund – The Transportation Trust Fund is a special revenue fund used to account for gas taxes distributed by the state of Florida and other intergovernmental financial resources which are restricted for the construction and maintenance of County roads and bridges.

Fire/Rescue Fund – The Fire/Rescue Fund is a special revenue fund used to account for the operations of the fire and emergency services department. Financing is provided principally by special assessments levied and committed for those purposes. Charges for ambulance services are also received and are assigned for the same purposes.

Landfill Trust Fund – The Landfill Trust Fund is a special revenue fund used to account for a portion of host fees assessed to the private contractor operating the Okeechobee Landfill. The fees are committed by ordinance to a reserve to allow the County funds to provide this service should the landfill revert back to the County. The Landfill Trust Fund also accounts for amounts received that are assigned to economic development.

Special Grants Fund – The Special Grants Fund is a special revenue fund used to account for grants funded by the Florida Housing Corporation and the Florida Department of Emergency Management for assistance to small businesses and residents of Okeechobee County affected by the Coronavirus Pandemic.

Capital Improvement Fund – The Capital Improvement Fund is a capital projects fund used to account for financial resources that are restricted, committed, or assigned to be used for acquisition and/or construction of major capital facilities and equipment other than those financed by enterprise operations. This includes the one cent additional sales tax, state grants, federal grants, and a portion of host fees which are not committed.

Road Improvement Fund – The Road Improvement Fund is a capital projects fund used to account for financial resources that are restricted to be used for transportation expenditures needed to meet the requirement of the capital improvements elements of the adopted comprehensive plan. This includes the local option 5 cents fuel tax enacted effective January 1, 2008.

Proprietary Fund

Okee-Tantie Fund – The Okee-Tantie Fund is used to account for the operations of the Okee-Tantie campground and marina.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Other Funds

Custodial Funds – These funds are used to account for all assets held by the County in its capacity as a fiduciary for individuals, other governmental units, and nonpublic organizations. A description of each custodial fund can be found on pages 124-125.

Budgets and Budgetary Accounting

The County follows the procedures provided by Sections 129 and 195, Florida Statutes in establishing final budget balances reported on the financial statements.

The annual budgets serve as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted for each fund. All budget amendments, which change the legally adopted total appropriation for a fund, are approved by the Board. Additionally, certain transfers or appropriations within a fund require the approval of the Board, including transfers from a reserve account and changes in the amounts transferred to a Constitutional Officer. The level of control for appropriations is otherwise exercised at the fund level. Appropriations lapse at year-end.

Budgets are adopted on a basis that does not differ materially from accounting principles generally accepted in the United States of America.

Formal budgetary integration is employed as a management control device during the year for all governmental and proprietary funds except for Hurricane Housing Recovery Fund, Impact Fees Fund, Community Development Block Grant Fund, Crime Prevention Fund, Sheriff's Community Donations Fund, Sheriff's Special Duty Detail Fund, Tax Collector's Coquina Fund, Clerk's PRMT Fund, Clerk's Court Related PRMT Fund, and Property Appraiser's Coquina Fund which do not have legally adopted budgets.

Cash and Investments

Cash and cash equivalents include demand deposits, investments with original maturities of three months or less from the date of acquisition and cash on hand.

The County follows Florida Statute 218.415, regarding the investment of surplus funds.

Receivables

Receivables are shown at their net realizable value and reduced by an allowance for uncollectible accounts, where determined by management. Uncollectible accounts are those 150 days old and greater.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions

Interfund transactions are accounted for in the following manner:

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

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

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

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are recorded using the consumption method of accounting. Under the consumption method, goods and services paid for in advance are reported as an asset until the period in which the goods and services are actually consumed.

Assets Available for Sale

Assets available for sale including land and land improvements are recorded at the lower of cost or net realizable value. Cost is determined by acquisition price if purchased, or at estimated acquisition value at the date of contribution, if contributed.

In the Hurricane Housing Recovery Fund there are buildable lots that were obtained through foreclosure. The amount of \$96,000 represents the appraised value at foreclosure of the remaining sixteen lots.

In the Special Grants Fund there are foreclosed homes that were obtained and are in the process of being rehabilitated through the Community Development Block Grant, Neighborhood Stabilization Program 3. At September 30, 2021, \$52,826 represents the value of one property to be sold.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenues

Unearned revenue represents amounts which have been received but are not yet earned.

Pensions

In the government-wide statement 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.

Deferred Outflows/Inflows of Resources

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

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

Capital Assets

Capital assets, which include land, buildings/improvements, equipment, computer software, and infrastructure assets (e.g., roads, bridges, right-of-way, sewer distribution systems and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Capital assets are defined by the County as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. The cost of improvements and replacements which extend the useful lives are capitalized. Repairs and maintenance costs which do not improve or extend the useful life of the respective assets are charged to expense when incurred.

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

The Board holds legal title for the capital assets used in the operations of the Board, Clerk, Property Appraiser, Supervisor of Elections, and Tax Collector, and is accountable for them under Florida Law. Capital assets used by the governmental funds are reported in the government-wide financial statements of the County. Capital assets of the Board's enterprise funds are reported in the Proprietary Funds financial statements.

The Sheriff is accountable for, and thus maintains, capital asset records pertaining only to equipment used in their operations. These assets have been combined with the Board's governmental activities' capital assets in the statement of net position.

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

The estimated useful lives are as follows:

Buildings and Improvements	10 to 40 Years
Operating Machinery and Equipment	3 to 30 Years
Computer Software	3 to 10 Years
Infrastructure	40 Years

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Under the laws of the state of Florida, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the Property Appraiser and Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit counties to levy property taxes at a rate of up to 10 mills for general operations. The tax levy rate of the County for general operations was 8.0000 mills for the year ended September 30, 2021.

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

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

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

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

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

Compensated Absences

The policies of the various County agencies allow employees to accumulate annual leave and sick leave. Various amounts of accumulated sick leave may be paid upon separation or retirement.

The County accrues vacation and sick leave based on current employee compensation levels in accordance with accounting principles generally accepted in the United States of America. In enterprise funds, expense for compensated absences would be recorded when earned by the employee; however, the Okee-Tantie Fund has no employees and therefore there is no accrual in the accompanying financial statements.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

In governmental funds, the cost of accumulated sick and annual leave is recognized when payments are made to employees. As accumulated sick and annual leave would not be liquidated with expendable available resources, a long-term liability of accrued sick and annual leave has been recorded in the government-wide statement of net position at September 30, 2021, representing the Board's commitment to fund such costs from future operations.

Other Postemployment Benefits (OPEB)

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

Encumbrances

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

"Total fund balances" of the county's governmental funds, \$41,469,502 differs from "net position" of governmental activities, \$97,490,900 reported in the statement of net position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental fund balance sheet.

Capital Related Items

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

Cost of Capital Assets	\$ 194,521,497
Accumulated Depreciation	<u>(104,869,715)</u>
Total Capital Assets Added	<u><u>\$ 89,651,782</u></u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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

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

Receivable Transactions

Certain receivables are not available to pay current period expenditures and, therefore, are reported as deferred inflows of resources in the funds. Balances as of September 30, 2021 were:

Unavailable Revenue	<u><u>\$ 2,414,196</u></u>
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Long-Term Debt Transactions

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances as of September 30, 2021 were:

Notes from Direct Borrowing	\$ (960,547)
Capital Leases	(447,303)
Compensated Absences	<u>(2,949,217)</u>
Total Long-Term Liabilities	<u><u>\$ (4,357,067)</u></u>

Accrued Interest

Accrued liabilities in the Statement of Net Position differ from the amount reported in governmental funds due to accrued interest on notes payable.

Accrued Interest on Notes Payable	<u><u>\$ (24,270)</u></u>
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Pension Related Items

Net pension liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds. Balances as of September 30, 2021 were:

Net Pension Liability	\$ (13,372,839)
Deferred Outflows of Resources - Pension Related	8,541,978
Deferred Inflows of Resources - Pension Related	<u>(23,739,456)</u>
Total	<u><u>\$ (28,570,317)</u></u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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

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

Other Postemployment Benefits Related Items

Total other postemployment benefits liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds. Balances as of September 30, 2021 were:

Total OPEB Liability	\$ (4,989,838)
Deferred Outflows of Resources - OPEB Related	2,556,247
Deferred Inflows of Resources - OPEB Related	(659,335)
Total	<u>\$ (3,092,926)</u>

Elimination of Interfund Receivables/Payables

Interfund receivables and payables in the amount of \$1,536,953 and interfund advance in the amount of \$500,000 between governmental funds must be eliminated for the Statement of Net Position.

Explanation of Differences Between the Governmental Fund Operating Statement and the Statement of Activities

The “net change in fund balances” for governmental funds, \$634,266 differs from the “change in net position” for governmental activities, \$8,881,731 reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital Related Items

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

Capital Outlay	\$ 11,158,196
Depreciation/Amortization Expense	(5,408,374)
Difference	<u>\$ 5,749,822</u>

In the Statement of Activities, only the gain/loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.

Sale of Capital Assets	<u>\$ (466,359)</u>
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**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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

Explanation of Differences Between the Governmental Fund Operating Statement and the Statement of Activities (Continued)

Long-Term Debt Transactions

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities.

Issuance of Notes from Direct Borrowing	\$ (802,750)
Principal Repayments:	
Notes from Direct Borrowing	149,476
Capital Leases	297,976
Net Adjustment	<u><u>\$ (355,298)</u></u>

Revenue Transactions

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

Intergovernmental Revenue	\$ (555,322)
Emergency Medical Services	244,285
Total Adjustment	<u><u>\$ (311,037)</u></u>

Expense Transactions

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.

Debt Service: Interest	\$ 15,408
Increase in Compensated Absences	13,680
Claims and Judgments	(1,310,000)
Total	<u><u>\$ (1,280,912)</u></u>

Pension Related Items

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

Net Change in Net Pension Liability	<u><u>\$ 2,883,011</u></u>
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**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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

Explanation of Differences Between the Governmental Fund Operating Statement and the Statement of Activities (Continued)

Other Postemployment Benefits Related Items

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

Net Change in Total OPEB Liability	<u>\$ (533,586)</u>
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Reclassification and Elimination

Transfers in and transfers out in the amount of \$4,126,505 between governmental activities are eliminated.

NOTE 3 DEPOSITS AND INVESTMENTS

At September 30, 2021, the bank balance of the County's deposits consisted of the following:

Demand Deposits	<u>\$ 20,011,304</u>
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Custodial Credit Risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the County's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, Florida Department of Financial Services. Other than the preceding, the County has no policy on custodial credit risk.

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

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

A reconciliation of deposits and investments to amounts shown on the Statement of Net Position and Statement of Fiduciary Net Position — Agency Funds is as follows:

Demand Deposits	\$ 21,555,757
Investments	32,575,500
Total	<u>\$ 54,131,257</u>
Statement of Net Position:	
Cash and Investments	\$ 52,272,203
Statement of Fiduciary Net Position - Custodial Funds:	
Cash	1,859,054
Total	<u>\$ 54,131,257</u>

Investments

The County recognizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. Debt and equity securities classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets. U.S. Agencies are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices (Level 2 inputs). The County had following fair value measurements as of September 30, 2021:

	Total	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Treasuries	\$ 503,540	\$ 503,540	\$ -	\$ -
U.S. Agencies	10,026,699	-	10,026,699	-
Total Investments				
Measured at Fair Value	10,530,239	<u>\$ 503,540</u>	<u>\$ 10,026,699</u>	<u>\$ -</u>
Measured at Amortized Cost:				
Local Government Surplus Trust				
Funds - PRIME Fund	21,334,370			
Short-Term Money Market Funds	68,198			
Measured at NAV:				
Florida Local Government				
Investment Trust - Short Term				
Bond Fund	642,693			
Total Investments	<u>\$ 32,575,500</u>			

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Florida PRIME

The Local Government Surplus Trust Funds — PRIME Fund (Florida PRIME) is 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 Chapter 125.31, Florida Statutes. The 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, 2021, Florida PRIME contained certain floating and adjustable rate securities which were indexed based on the prime rate and/or one and three month LIBOR rates. These investments represented 4.4% of the Florida PRIME's portfolio at September 30, 2021.

Florida PRIME meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost, as a cash equivalent.

The dollar weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2021 was 49 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, 2021 was 64 days.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states, "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 Executive Director may extend the moratorium 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, Florida Statute 218.409(4) 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, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Florida Local Government Investment Trust

Florida Local Government Investment Trust (FLGIT), which is a public entity investment trust organized under the laws of the state of Florida. At September 30, 2021, the County is invested in the Short Term Bond Fund.

FLGIT Short Term Bond Fund – At September 30, 2021, the average maturity in years was 2.1 years. The FLGIT reports all share information at net asset value (NAV). The value of the County’s position in the FLGIT external investment pool is the same as the value of the pool’s shares.

The investment objective of the FLGIT Short Term Bond Fund is to hold a diversified mix of credit sectors for income generation. The fund focus is on identifying the most efficient sources of income for the portfolio, as the income component of total return is believed to be the key driver for overall portfolio performance.

Other information for investments measured at NAV or its equivalent is as follows:

Pooled Funds:	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
FLGIT Short Term Bond Fund	\$ 642,693	\$ -	Daily	1-3 Days

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the County’s investment policy, authorized investments shall be invested to match investment maturities with known cash needs and anticipated cash-flow requirements. Investments and related level of risk at September 30, 2021, were as follows:

Investment Type	Total	Less Than 1 Year	1-5 Years	5-10 Years
Short-Term Money Market Funds	\$ 68,198	\$ 68,198	\$ -	\$ -
U.S. Treasuries	503,540	503,540	-	-
U.S. Agencies	10,026,699	-	8,486,845	1,539,854
Local Government Surplus Trust Funds - PRIME Fund	21,334,370	21,334,370	-	-
Florida Local Government Investment Trust - Short Term Bond Fund	642,693	-	642,693	-
Total	<u>\$ 32,575,500</u>	<u>\$ 21,906,108</u>	<u>\$ 9,129,538</u>	<u>\$ 1,539,854</u>

Credit Risk – Credit risk is the risk that an insurer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County had no policy on credit risk other than for money market funds, which must have the highest credit quality rating from a nationally recognized rating agency.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Presented below is the actual rating as of September 30, 2021 for each type of investment:

<u>Investment Type</u>	<u>Credit Rating</u>
Short-Term Money Market Funds	AAAm
Local Government Surplus Trust Fund - Florida PRIME	AAAm
FLGIT Short Term Bond Fund	AAAf
U.S. Treasuries	AA+
U.S. Agencies	AA+

Concentration of Credit Risk – The County places no limit on the amount that the County may invest in any one issuer. Procedures are established to control risks and diversify investments regarding specific security types, maturities, and financial institutions. More than 5 percent of the County’s investments are in the Federal Home Loan Banks and Federal National Mortgage Association. These investments are 15.0% and 8.5%, respectively, of the County’s total investments.

Custodial Credit Risk This is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County’s investment policy requires execution of a third-party custodial safekeeping agreement for purchased securities and collateral, and requires that securities be held in the County’s name.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 RECEIVABLES

Receivables in governmental funds consist of the following at September 30, 2021:

	General	Transportation Trust	Fire/ Rescue	Capital Improvement	Nonmajor Govern- mental Funds	Total
Receivables:						
Emergency Medical Service(EMS) Fees	\$ -	\$ -	\$ 10,926,619	\$ -	\$ -	\$ 10,926,619
Host Fees	-	-	-	845,023	-	845,023
Airport/Industrial Park	-	97,571	-	-	-	97,571
School Resource Officers	134,021	-	-	-	-	134,021
Franchise Fees	110,449	-	-	-	-	110,449
Medical Exams	100,585	-	-	-	-	100,585
Miscellaneous	90,401	-	168,907	-	50,016	309,324
Accounts Receivable, Gross	435,456	97,571	11,095,526	845,023	50,016	12,523,592
Less: Allowance for Uncollectible	(119,910)	(9,927)	(10,281,501)	-	-	(10,411,338)
Accounts Receivable, Net	<u>\$ 315,546</u>	<u>\$ 87,644</u>	<u>\$ 814,025</u>	<u>\$ 845,023</u>	<u>\$ 50,016</u>	<u>\$ 2,112,254</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 DETAIL OF CAPITAL ASSETS

The following is a summary of the changes in capital assets for the year ended September 30, 2021:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated/Amortized:				
Land	\$ 5,555,355	\$ -	\$ (359,440)	\$ 5,195,915
Construction in Progress	8,400,693	9,532,912	(11,698,583)	6,235,022
Total Capital Assets, Not Being Depreciated/Amortized	13,956,048	9,532,912	(12,058,023)	11,430,937
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	71,763,118	5,277,620	(248,754)	76,791,984
Machinery and Equipment	29,388,948	2,477,645	(452,800)	31,413,793
Computer Software	1,482,370	333,273	-	1,815,643
Infrastructure	67,833,816	5,235,324	-	73,069,140
Total Capital Assets Being Depreciated/Amortized	170,468,252	13,323,862	(701,554)	183,090,560
Less: Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(32,511,919)	(2,105,525)	162,594	(34,454,850)
Machinery and Equipment	(21,605,538)	(2,109,240)	432,041	(23,282,737)
Computer Software	(1,268,286)	(79,107)	-	(1,347,393)
Infrastructure	(44,670,233)	(1,114,502)	-	(45,784,735)
Total Accumulated Depreciation/Amortization	(100,055,976)	(5,408,374)	594,635	(104,869,715)
Total Capital Assets, Being Depreciated/Amortized, Net	70,412,276	7,915,488	(106,919)	78,220,845
Governmental Activities Capital Assets, Net	<u>\$ 84,368,324</u>	<u>\$ 17,448,400</u>	<u>\$ (12,164,942)</u>	<u>\$ 89,651,782</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 DETAIL OF CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Business-Type Activities:</u>				
Capital Assets, Not Being Depreciated/Amortized:				
Land	\$ 2,421,000	\$ -	\$ -	\$ 2,421,000
Total Capital Assets, Not Being Depreciated/Amortized	2,421,000	-	-	2,421,000
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	953,552	-	-	953,552
Machinery and Equipment	61,594	-	-	61,594
Total Capital Assets Being Depreciated/Amortized	1,015,146	-	-	1,015,146
Less: Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(661,779)	(16,542)	-	(678,321)
Machinery and Equipment	(61,448)	(102)	-	(61,550)
Total Accumulated Depreciation/Amortization	(723,227)	(16,644)	-	(739,871)
Total Capital Assets, Being Depreciated/Amortized, Net	291,919	(16,644)	-	275,275
Business-Type Activities Capital Assets, Net	<u>\$ 2,712,919</u>	<u>\$ (16,644)</u>	<u>\$ -</u>	<u>\$ 2,696,275</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Government Activities:	
General Government	\$ 1,987,911
Public Safety	1,456,283
Transportation/Public Works	1,528,443
Human Services	11,251
Culture/Recreation	424,486
Total Depreciation/Amortization Expense - Government Activities	<u>\$ 5,408,374</u>
Business-Type Activities:	
Okee-Tantie	\$ 16,644
Total Depreciation/Amortization Expense - Business-Type Activities	<u>\$ 16,644</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 LONG-TERM DEBT

The following is a summary of the changes in long-term debt for the year ended September 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Notes Payable:					
Direct Borrowings	\$ 307,273	\$ 802,750	\$ (149,476)	\$ 960,547	\$ 237,797
Capital Leases	745,279	-	(297,976)	447,303	265,333
Compensated Absences	2,935,537	1,765,055	(1,751,375)	2,949,217	2,180,932
Claims and Judgments	1,310,000	-	(1,310,000)	-	-
Total Governmental Activities	<u>\$ 5,298,089</u>	<u>\$ 2,567,805</u>	<u>\$ (3,508,827)</u>	<u>\$ 4,357,067</u>	<u>\$ 2,684,062</u>

Claims and Judgements

The liability for claims and judgments is liquidated with resources of the Landfill Trust Fund.

Compensated Absences

Compensated absences represent the vested portion of leave credits. See Note 1 for a summary of the County's compensated absences policy. The liability for compensated absences is liquidated with resources of the General Fund, Transportation Trust Fund, Fire/Rescue Fund, Clerk's Court Related Fund, Capital Improvement Fund, and nonmajor governmental funds.

Fire Station IV Note

The Okeechobee County, Florida promissory note, Series 2007, dated April 19, 2007, bears interest at 4.06%, is payable in semi-annual installments of \$80,268 from February 2008 through August 2022. The note was issued to finance the cost of constructing the new county fire station located on Highway 441 North. This note is secured by a pledge of the County's fire rescue assessments. During the year, \$149,476 of principal and \$11,060 in interest was paid. The principal balance outstanding at September 30, 2021 is \$157,797. The note contains a provision that in an event of default, the County will, upon request of the bank, and at the expense of the County, engage the services of a consultant to assist the County in levying the assessments until such time as the default is cured.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Fire Engine Note

The Okeechobee County, Florida special assessment revenue note, Series 2021A, dated June 3, 2021, bears interest at 2.18%, is payable in annual installments of \$57,546 to \$52,521 from August 2022 through August 2031. The note was issued to finance the cost of purchasing a fire engine for the County's Fire Rescue Department which will serve and specially benefit the real property comprising the Fire Rescue MSBU. This note is secured by a pledge of the County's fire rescue assessments. The principal balance outstanding at September 30, 2021 is \$490,000. In the event of default, the County will pay a late fee determined by the owner not greater than 5% of the delinquent payment. Upon and during the continuance of an Event of Default, this Note shall bear interest at the "Default Rate". For purposes of this Note, the term "Default Rate" shall mean the greater of (i) the Interest Rate plus three percent (3%) per annum, or (ii) the Wall St. Journal Prime Rate plus 3.5%; provided, however, the Default Rate shall not exceed the maximum interest rate permitted by applicable law.

Ambulance Note

The Okeechobee County, Florida special assessment revenue note, Series 2021B, dated June 3, 2021, bears interest at 1.95%, is payable in annual installments of \$42,145 to \$37,876 from August 2022 through August 2028. The note was issued to finance the cost of an ambulance for the County's Fire Rescue Department to serve the real property comprising the Okeechobee County Municipal Service Benefit Unit for Emergency Medical Services. This note is secured by a pledge of the County's fire rescue assessments. The principal balance outstanding at September 30, 2021 is \$260,000. In the event of default, the County will pay a late fee determined by the owner not greater than 5% of the delinquent payment. Upon and during the continuance of an Event of Default, this Note shall bear interest at the "Default Rate". For purposes of this Note, the term "Default Rate" shall mean the greater of (i) the Interest Rate plus three percent (3%) per annum, or (ii) the Wall St. Journal Prime Rate plus 3.5%; provided, however, the Default Rate shall not exceed the maximum interest rate permitted by applicable law.

Jail Expansion Note

The Okeechobee County, Florida capital improvement revenue note, Series 2021, dated June 3, 2021, is being issued as a drawdown loan. \$52,750 will be used to pay issuance expenses, bearing interest at 0.47%, and is payable in full in 2024. The remaining \$14,947,250 will be used to finance the cost of the jail expansion project and has not been drawn on as of September 30, 2021. This note is secured by a pledge of the County's Non-Ad Valorem revenues. The principal balance outstanding at September 30, 2021 is \$52,750. In the event of default, the lender shall be under no further obligation to make advances hereunder; (b) the Series 2021 Note will bear interest at the Default Rate from the date of the occurrence of the Event of Default; and (c) the Bank may exercise from time to time any of the rights and remedies available per the agreement or under applicable law.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 LONG-TERM DEBT (CONTINUED)

<u>Fiscal Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Direct Borrowings</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 237,797	\$ 23,327
2023	80,000	13,724
2024	132,750	12,061
2025	80,000	10,397
2026	90,000	8,631
2027 - 2031	340,000	17,810
Total	<u>\$ 960,547</u>	<u>\$ 85,950</u>

NOTE 7 LEASES

Capital Leases

The County has entered into several lease agreements as lessee for financing the acquisition of information technology equipment and vehicles for the County. These leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments, as of the inception date.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Assets:	
Machinery and Equipment	\$ 1,501,019
Less: Accumulated Depreciation	(872,333)
Total	<u>\$ 628,686</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2021 are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>
2022	\$ 282,701
2023	129,934
2024	62,056
Total Minimum Lease Payment	474,691
Less: Amount Representing Interest	(27,388)
Present Value of Minimum Lease Payment	<u>\$ 447,303</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8 CONDUIT DEBT OBLIGATIONS

On August 5, 1999 the county issued Series 1999 Tax Exempt Adjustable Mode Exempt Facility Revenue Bonds, (Waste Management, Inc./Okeechobee Landfill Project). Furthermore, on July 20, 2004, the County issued Series 2004A Solid Waste Disposal Revenue Bonds (Waste Management, Inc. / Okeechobee Landfill Project). Both Series were issued to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying loans on the property. The County is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of September 30, 2021, the aggregate principal payable for the Series 1999 bonds was \$15,000,000, which is the same as the original issue amount. The aggregate principal payable for the Series 2004 was \$15,970,000, which is the same as the original issue amount.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The County administers two single-employer defined benefit healthcare plans entitled Okeechobee County Plan (County Plan) and Sheriff's Office Plan (Sheriff Plan). Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the County may continue to participate in the County's healthcare plans for medical, vision, and life insurance coverage. The County subsidizes the premium rates paid by retirees by allowing them to participate in the plans at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The plans do not issue publicly available reports.

Okeechobee County Plan

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

Employees Covered by Benefit Terms

At October 1, 2020, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	12
Active Plan Members	229
Total	<u>241</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Okeechobee County Plan (Continued)

Total OPEB Liability

The County's Total OPEB liability was measured as of September 30, 2021 and was determined by an actuarial valuation as of October 1, 2020, rolled forward to the measurement date of September 30, 2021. The following table shows the County's total OPEB liability for the year ended September 30, 2021.

	Total OPEB Liability
Balances - October 1, 2020	\$ 982,857
Changes for the Year:	
Service Cost	103,436
Interest	22,990
Difference Between Expected and Actual Experience	464,772
Changes in Assumptions	(306,372)
Benefit Payments	(24,092)
Net Changes	260,734
Balances - September 30, 2021	\$ 1,243,591

Discount Rate Sensitivity

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

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	1.19 %	2.19 %	3.19 %
Total OPEB Liability	\$ 1,390,038	\$ 1,243,591	\$ 1,114,502

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Okeechobee County Plan (Continued)

Healthcare Trend Rate Sensitivity

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

<u>Description</u>	<u>1% Decrease in Healthcare Cost Trend Rate</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase in Healthcare Cost Trend Rate</u>
OPEB Plan Healthcare Cost Rate	3.00% - 6.00%	4.00% - 7.00%	5.00% - 8.00%
Total OPEB Liability	\$ 1,046,111	\$ 1,243,591	\$ 1,487,549

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

For the year ended September 30, 2021, the County recognized OPEB expense of \$187,503. In addition, the County reported deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 413,131	\$ (43,842)
Changes of Assumptions	315,858	(287,705)
Total	<u>\$ 728,989</u>	<u>\$ (331,547)</u>

Amounts reported as deferred inflows of resources related to OPEB will be amortized over nine years and will be recognized as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2022	\$ 57,077
2023	57,077
2024	57,077
2025	57,077
2026	57,078
Thereafter	112,056

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Okeechobee County Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the October 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate used was 2.19% based on the municipal GO AA 20-year yield curve rate as of the measurement date. A salary scale of 6.00% was also used.

The health care inflation rate used was 7.00% on the valuation date of October 1, 2020 grading down to the ultimate trend rate of 4.00% in fiscal year 2075.

The actuarial cost method used was the Entry Age Cost Method.

Mortality rates were based on the RP-2000 Combined Mortality Table, Scale BB.

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

- The discount rate as of the measurement date is 2.19%. The prior measurement used 2.14%.

Sheriff's Office Plan

For the Sheriff Plan, contribution requirements of the County are established and may be amended through the County. The Plan is currently being funded on a pay-as-you-go basis. No trust fund has been established for the Plan. The Plan does not issue a separate financial report.

Employees Covered by Benefit Terms

At October 1, 2020, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	67
Active Plan Members	189
Total	<u>256</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sheriff's Office Plan (Continued)

Total OPEB Liability

The County's Total OPEB liability was measured as of September 30, 2021 and was determined by an actuarial valuation as of October 1, 2020, rolled forward to the measurement date of September 30, 2021. The following table shows the County's total OPEB liability for the year ended September 30, 2021.

	Total OPEB Liability
Balances - October 1, 2020	\$ 2,556,878
Changes for the Year:	
Service Cost	168,960
Interest	57,420
Changes in Assumptions	(302,664)
Difference Between Expected and Actual Experience	1,351,398
Benefit Payments	(85,745)
Net Changes	1,189,369
Balances - September 30, 2021	\$ 3,746,247

Discount Rate Sensitivity

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

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	1.19 %	2.19 %	3.19 %
Total OPEB Liability	\$ 4,138,239	\$ 3,746,247	\$ 3,399,624

Healthcare Trend Rate Sensitivity

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

	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB Plan Healthcare Cost Rate	3.00% - 6.00%	4.00% - 7.00%	5.00% - 8.00%
Total OPEB Liability	\$ 3,273,468	\$ 3,746,247	\$ 4,316,777

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sheriff's Office Plan (Continued)

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

For the year ended September 30, 2021, the County recognized OPEB expense of \$463,920. In addition, the County reported deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,201,243	\$ (26,638)
Changes of Assumptions	626,015	(301,150)
Total	\$ 1,827,258	\$ (327,788)

Amounts reported as deferred inflows of resources related to OPEB will be amortized over six years and will be recognized as follows:

Year Ending September 30,	Amount
2022	\$ 233,540
2023	233,541
2024	249,598
2025	249,597
2026	183,616
Thereafter	349,578

Actuarial Assumptions

The total OPEB liability in the October 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate used was 2.19% based on the municipal GO AA 20-year yield curve rate as of the measurement date. A salary scale of 6.00% was also used.

The health care inflation rate used was 7.00% on the valuation date of October 1, 2020 grading down to the ultimate trend rate of 4.00% in fiscal year 2075.

The actuarial cost method used was the Entry Age Cost Method.

Mortality rates were based on the RP-2000 Combined Mortality Table, Scale BB.

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

- The discount rate as of the measurement date is 2.19%. The prior measurement used 2.14%.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Summary

The aggregate amount of total OPEB liability, related deferred inflows of resources and deferred outflows of resources, and OPEB expenses for the County's OEPB plans are summarized below.

	<u>County Plan</u>	<u>Sheriff Plan</u>	<u>Total</u>
Total OPEB Liability	\$ 1,243,591	\$ 3,746,247	\$ 4,989,838
Deferred Outflows of Resources	728,989	1,827,258	2,556,247
Deferred Inflows of Resources	331,547	327,788	659,335
OPEB Expense	187,503	463,920	651,423

NOTE 10 DEFINED BENEFIT PENSION PLAN

Florida Retirement System Pension Plan

Background

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

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

The County's pension expense totaled \$672,089 for both the FRS Pension Plan and HIS Plan for the fiscal year ended September 30, 2021.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description

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

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

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided

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

<u>Class, Initial Enrollment, and Retirement Age/Years of Service:</u>	<u>% Value</u>
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% 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.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The contribution rates attributable to the County, effective July 1, 2020, were applied to employee salaries as follows: regular employees 8.28%, special risk 22.73%, county elected officials 47.46%, senior management 25.57%, and DROP participants 15.32%. The County's contributions to the FRS Plan were \$3,203,694 for the year ended September 30, 2021.

Pension Costs

At September 30, 2021, the County reported a liability of \$6,135,413 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2020, through June 30, 2021, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2021, the County's proportion was 0.081222186%, which was a decrease of 0.006815616% from its proportion measured as of June 30, 2020.

For the year ended September 30, 2021, the County recognized pension expense of \$47,406 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:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual		
Experience	\$ 1,051,620	\$ -
Changes of Assumptions	4,198,154	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(21,404,914)
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	1,033,903	(1,949,257)
County Contributions Subsequent to the Measurement Date	885,644	-
Total	<u>\$ 7,169,321</u>	<u>\$ (23,354,171)</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Costs (Continued)

\$885,644 reported as deferred outflows of resources related to pensions resulting from County contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2022	\$ (2,868,696)
2023	(3,452,124)
2024	(4,594,126)
2025	(5,928,824)
2026	(226,724)
Thereafter	-

Actuarial Assumptions

The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per Year
Salary Increases	3.25%, Average, Including Inflation
Investment Rate of Return	6.80%

Mortality rates were based on the PUB-2010 base table, varies by member category and sex, projected generationally with Scale MP-2018. The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return assumption of 6.80 percent consists of two building block components: 1) an inferred real (in excess of inflation) return of 4.30 percent, which is consistent with the 4.17 percent real return from the capital market outlook model developed by the FRS consulting actuary, Milliman; and 2) a long-term average annual inflation assumption of 2.40 percent as adopted in October 2021 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary both components and the overall 6.80 percent return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice. The 6.80 percent reported investment return assumption is the same as the investment return assumption chosen by the 2021 FRS Actuarial Assumption Conference for funding policy purposes.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Actuarial Assumptions (Continued)

For reference, the table below contains a summary of Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0 %	2.1 %	2.1 %	1.1 %
Fixed Income	20.0	3.8	3.7	3.3
Global Equity	54.2	8.2	6.7	17.8
Real Estate	10.3	7.1	6.2	13.8
Private Equity	10.8	11.7	8.5	26.4
Strategic Investments	3.7	5.7	5.4	8.4
Totals	<u>100.0 %</u>			
Assumed Inflation - Mean			2.4 %	1.2 %

Discount Rate

The discount rate used to measure the total pension liability was 6.80% 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, each of the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

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

<u>Description</u>	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
FRS Plan Discount Rate	5.80%	6.80%	7.80%
County's Proportionate Share of the FRS Plan Net Pension Liability	\$ 27,437,978	\$ 6,135,413	\$(11,671,143)

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Plan Fiduciary Net Position

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, 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 September 30, 2021, the contribution rate was 1.66% of payroll pursuant to section 112.363, Florida Statutes. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The County's contributions to the HIS Plan were \$351,402 for the year ended September 30, 2021.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Costs

At September 30, 2021, the County reported a liability of \$7,237,426 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. Liabilities originally calculated as of the actuarial valuation date are recalculated as of June 30, 2021 using a standard actuarial roll-forward technique. The County's proportion of the net pension liability was based on the County's contributions received by HIS during the measurement period for employer payroll paid dates from July 1, 2020, through June 30, 2021, relative to the total employer contributions received from all participating employers. At June 30, 2021, the County's proportion was 0.059001543%, which was an increase of 0.000707740% from its proportion measured as of June 30, 2020.

For the year ended September 30, 2021, the County recognized pension expense of \$624,683 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:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 242,183	\$ (3,031)
Changes in Actuarial Assumptions	568,700	(298,200)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	7,545	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	462,362	(84,054)
County Contributions Subsequent to the Measurement Date	91,867	-
Total	<u>\$ 1,372,657</u>	<u>\$ (385,285)</u>

\$91,867 reported as deferred outflows of resources related to pensions resulting from County contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2018	\$ 268,855
2019	153,105
2020	170,868
2021	172,558
2022	107,637
Thereafter	22,482

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per Year
Salary Increases	3.25%, Average, Including Inflation
Discount Rate - Municipal Bond Rate	2.16%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018. The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 2.16% in the current year and 2.21% in the prior year 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 FRS Actuarial Assumption Conference. 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:

<u>Description</u>	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase Discount Rate</u>
HIS Plan Discount Rate	1.16%	2.16%	3.16%
County's Proportionate Share of the FRS Plan Net Pension Liability	\$ 8,367,166	\$ 7,237,426	\$ 6,311,857

Pension Plan Fiduciary Net Position

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Summary

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

	<u>FRS Plan</u>	<u>HIS Plan</u>	<u>Total</u>
Net Pension Liability	\$ 6,135,413	\$ 7,237,426	\$ 13,372,839
Deferred Outflows of Resources	7,169,321	1,372,657	8,541,978
Deferred Inflows of Resources	23,354,171	385,285	23,739,456
Pension Expense	47,406	624,683	672,089

NOTE 11 DEFINED CONTRIBUTION PENSION PLAN

Investment Plan

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 11 DEFINED CONTRIBUTION PENSION PLAN (CONTINUED)

Investment Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2021, 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 \$572,773 for the year ended September 30, 2021. Employee contributions to the Investment Plan totaled \$113,735 for the year ended September 30, 2021.

NOTE 12 DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the Plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or for an unforeseeable emergency. The assets of the Plan are not held in the fiduciary responsibility of the County, and are not reflected in the County's financial statements.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 13 INTERFUND ACTIVITY

The balance of interfund receivables and payables were as follows at September 30, 2021:

<u>Due To/From Other Funds</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Fund:		
General Fund	\$ 1,300,000	\$ 186,324
Transportation Trust	-	1,300,000
Special Grants	-	21,516
Nonmajor Governmental Funds	<u>236,953</u>	<u>29,113</u>
Total	<u><u>\$ 1,536,953</u></u>	<u><u>\$ 1,536,953</u></u>
<u>Advances To/From Other Funds</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Funds:		
Landfill Trust Fund	\$ 500,000	\$ -
Nonmajor Governmental Funds	<u>-</u>	<u>500,000</u>
Total	<u><u>\$ 500,000</u></u>	<u><u>\$ 500,000</u></u>

Amounts due to and from other funds arise from timing differences as a result of transactions and cash transfers for operating purposes. Advances between funds represent interfund loans that are not expected to be repaid within one year. In 2014, the Board approved a loan from the Landfill Trust Fund to the Community Development Block Grant Fund for the payment of grant expenses, pending reimbursement. As of September 30, 2021, the outstanding balance was \$500,000.

NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS

As of September 30, 2021, fund balances of the governmental funds are classified as follows:

Nonspendable

Amounts that cannot be spent because they are either not in spendable form (such as inventories, prepaid amounts, and advances to other funds) or are legally or contractually required to be maintained intact.

Restricted

Amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS (CONTINUED)

Committed

Amounts that can be used only for the specific purposes determined by a formal action (ordinance/resolution) of the Board, the County's highest level of decision-making authority. Commitments may be changed or lifted only by the Board taking the same formal action that originally imposed the constraint.

Assigned

Amounts intended to be used by the County for specific purposes. This includes spendable fund balance amounts established by management of the County that are neither restricted nor committed.

Unassigned

Amounts that are available for any purpose. Positive amounts can be reported only in the Board's General Fund. Unassigned fund balance may also include negative balance for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS (CONTINUED)

The specific purpose detail for the fund balances are as follows:

	General Fund	Trans- portation Trust	Fire/ Rescue	Landfill Trust	Special Grants	Capital Improvement	Road Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:									
Prepaid Items	\$ 177,713	\$ 4,269	\$ 71,081	\$ -	\$ -	\$ 3,496	\$ -	\$ 48,897	\$ 305,456
Total Nonspendable	<u>177,713</u>	<u>4,269</u>	<u>71,081</u>	<u>-</u>	<u>-</u>	<u>3,496</u>	<u>-</u>	<u>48,897</u>	<u>305,456</u>
Restricted for:									
Boating Improvement	-	-	-	-	-	-	-	321,832	321,832
County Services	-	-	-	-	-	-	-	376,320	376,320
Court-Related	-	-	-	-	-	-	-	681,947	681,947
E-911 System	-	-	-	-	-	-	-	362,055	362,055
Fire/Rescue	-	-	-	-	-	-	-	71	71
Housing	-	-	-	-	50,067	-	-	868,264	918,331
Library	-	-	-	-	-	-	-	824	824
Mediation and Arbitration	-	-	-	-	-	-	-	33,451	33,451
Public Safety	117,669	-	-	-	-	-	-	1,437,599	1,555,268
Substance Abuse	-	-	-	-	-	-	-	26,483	26,483
Tourism	-	-	-	-	-	-	-	1,091,967	1,091,967
Transportation	-	441,925	-	-	-	-	5,752,565	579	6,195,069
Total Restricted	<u>117,669</u>	<u>441,925</u>	<u>-</u>	<u>-</u>	<u>50,067</u>	<u>-</u>	<u>5,752,565</u>	<u>5,201,392</u>	<u>11,563,618</u>
Committed for:									
County Services	-	-	-	-	-	-	-	154,765	154,765
Solid Waste	-	-	-	7,052,441	-	-	-	1,444,133	8,496,574
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,052,441</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,598,898</u>	<u>8,651,339</u>
Assigned for:									
Capital Projects	-	-	-	-	865,533	2,374,228	-	-	3,239,761
County Services	-	-	-	-	-	-	-	1,264,117	1,264,117
Economic Development	-	-	-	712,120	-	-	-	-	712,120
Public Safety	-	-	1,484,863	-	-	-	-	-	1,484,863
Total Assigned	<u>-</u>	<u>-</u>	<u>1,484,863</u>	<u>712,120</u>	<u>865,533</u>	<u>2,374,228</u>	<u>-</u>	<u>1,264,117</u>	<u>6,700,861</u>
Unassigned	<u>14,259,476</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,248)</u>	<u>14,248,228</u>
Total	<u>\$ 14,554,858</u>	<u>\$ 446,194</u>	<u>\$ 1,555,944</u>	<u>\$ 7,764,561</u>	<u>\$ 915,600</u>	<u>\$ 2,377,724</u>	<u>\$ 5,752,565</u>	<u>\$ 8,102,056</u>	<u>\$ 41,469,502</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS (CONTINUED)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

The Board adopted a fund balance policy for the County as a whole which includes the following:

General Fund

The County intends to maintain, at fiscal year-end, an unassigned fund balance of not less than three months of the following year's General Fund budgeted expenditures.

Landfill Trust Fund

The County shall maintain a \$2,000,000 minimum fund balance. It is the County's policy to utilize these funds to provide funding for one-time expenses, including hurricane recovery (which may or may not be reimbursed by insurance and/or grants, one-time capital project expenditures, pay-down of debt, or a grant match).

Fund Balance Deficit

The Legal Aid, a special revenue fund, has a fund balance deficit of \$1,816 due to the timing of receipts. The funding to recover the deficit will be received in fiscal year 2022.

The Teen Court Fund, a special revenue fund, has a fund balance deficit of \$652 due to the timing of receipts. The funding to recover the deficit will be received in fiscal year 2022.

NOTE 15 GRANTS

The County participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2021, have not yet been accepted/approved by the grantors. Accordingly, the final determination of the County's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the County expects such amounts, if any, to be immaterial.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 16 RISK MANAGEMENT

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

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

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

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

The County, with the exception of the Sheriff, is a member of PRM Group Health Trust, a local government risk management pool for employee benefits. The County and other participating members pool their resources so as to provide employee health insurance coverage. Each member is assessed the premium rates established prior to the beginning of each plan year and those rates remain fixed for the entire plan year. County does not retain any risk of loss due to health insurance claims. PRM purchases excess insurance or stop loss insurance from commercial carriers to cover losses above the self-insured retention amounts.

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 16 RISK MANAGEMENT (CONTINUED)

The County carries commercial insurance coverage to insure County employee's life insurance costs. The County does not retain any risk of loss under these policies.

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

NOTE 17 COMMITMENTS AND CONTINGENCIES

The County has entered into various contracts for design, construction, and other services as of September 30, 2021:

<u>Project</u>	<u>Project Amortization</u>	<u>Expended to Date</u>	<u>Commitment</u>
Fire Station #2 Construction	\$ 1,282,970	\$ 1,274,015	\$ 8,955
Animal Control Phase II Kennel	33,320	28,340	4,980
Jail Expansion	5,101,844	3,614,189	1,487,655
Ag Center Maintenance and Storage Building	8,800	7,660	1,140
Oak Lake Estates Drainage Improvement	127,810	116,996	10,814
Potter Rd-Swale Reconstruction & Drainage	69,486	50,076	19,410
Traffic Pre-emption Project US 441 & SR 70	19,000	17,513	1,487
Douglas Brown Restrooms	28,294	10,366	17,928
Automatic Gate System-Evergreen Cemetery	15,985	7,993	7,992
Total	<u>\$ 6,687,509</u>	<u>\$ 5,127,148</u>	<u>\$ 1,560,361</u>

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 18 TRANSFERS

Transfers during the year ended September 30, 2021 consisted of the following:

Transfers to the General Fund from:

Landfill Trust Fund	\$ 500,000
Fire/Rescue Fund	373,200
Special Grants Fund	47,333
Nonmajor Governmental Funds	550,366
Total	\$ 1,470,899

Transfers to the Transportation Trust Fund from:

Special Grants Fund	\$ 60,000
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Transfers to the Capital Improvement Fund from:

General Fund	\$ 1,997,414
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Transfers to the Fire/Rescue Fund from:

Special Grants Fund	\$ 57,682
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Transfers to the Nonmajor Governmental Funds from:

Landfill Trust Fund	\$ 514,000
Nonmajor Governmental Funds	26,510
Total	\$ 540,510

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

NOTE 19 TAX ABATEMENTS

The County provides tax abatements through one program: Economic Development Ad Valorem Property Tax Exemption. Pursuant to Section 196.1995, Florida Statutes, and voter referendum (Amendment #2, November 2014) the County is authorized to grant economic development tax exemptions for new businesses and expansions of existing businesses, that are expected to create new, full-time jobs in the County. Abatements are obtained through application by the property owner, including proof that requirements have been met. The amount of the abatement is determined by the Board and it is deducted from the recipient's tax bill.

As of September 30, 2021 the County, per Ordinance 2020-005, has entered into one tax abatement agreement with Florida Power and Light Company. The gross dollar amount of tax abated during the fiscal year ending September 30, 2021 equals \$5,196,954.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 20 CHANGE IN ACCOUNTING PRINCIPLE

During the year ended September 30, 2021, the County adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, Fiduciary Activities, which establishes criteria for identifying and reporting fiduciary activities. The implementation of this statement has resulted in changing the presentation of the financial statements by establishing requirements for reporting net position in custodial funds. Beginning net position has been restated to reflect this change where necessary.

	Custodial Funds
Fiduciary Net Position - Beginning of Year, as Previously Reported	\$ -
Change in Accounting Principle	433,312
Fiduciary Net Position - Beginning of Year, as Restated	\$ 433,312

Additionally, the implementation of this statement has resulted in changing the presentation of the financial statements by reporting certain additional activities in a nonmajor special revenue fund of the County. These activities were previously reported as fiduciary in nature with assets and liabilities only. Beginning fund balance of the nonmajor governmental funds and beginning net position of governmental activities have been restated to reflect this change.

	Nonmajor Governmental Funds
Fund Balance - Beginning of Year, as Previously Reported	\$ 6,812,579
Change in Accounting Principle	17,074
Fund Balance - Beginning of Year, as Restated	\$ 6,829,653

	Governmental Activities
Net Position - Beginning of Year, as Previously Reported	\$ 88,592,095
Change in Accounting Principle	17,074
Net Position - Beginning of Year, as Restated	\$ 88,609,169

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB
LIABILITY AND RELATED RATIOS — OKEECHOBEE COUNTY PLAN
LAST TEN FISCAL YEARS**

	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 103,436	\$ 97,581	\$ 50,505	\$ 51,094
Interest	22,990	29,092	17,316	16,440
Changes of Benefit Terms	-	-	-	-
Difference Between Expected and Actual Experience	464,772	-	(65,763)	-
Changes of Assumptions	(306,372)	150,388	298,337	(27,674)
Benefit Payments	(24,092)	(18,368)	(11,363)	(10,466)
Net Change in Total OPEB Liability	260,734	258,693	289,032	29,394
Total OPEB Liability - Beginning	982,857	724,164	435,132	405,738
Total OPEB Liability - Ending	<u>\$ 1,243,591</u>	<u>\$ 982,857</u>	<u>\$ 724,164</u>	<u>\$ 435,132</u>
County's Covered Employee Payroll	\$ 10,388,037	\$ 10,664,865	\$ 10,061,194	\$ 10,161,536
County's Total OPEB Liability as a Percentage of Covered Employee Payroll	11.97 %	9.22 %	7.20 %	4.28 %

Notes to Schedule:

The OPEB plan is not administered through a trust, and there are no assets accumulated in trust for payment of benefits.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2021:	2.19 %
Fiscal Year Ending September 30, 2020:	2.14 %
Fiscal Year Ending September 30, 2019:	3.58 %
Fiscal Year Ending September 30, 2018:	4.18 %

Benefit Payments. The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2021. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB
LIABILITY AND REALTED RATIOS — SHERIFF'S OFFICE PLAN
LAST TEN FISCAL YEARS**

	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 168,960	\$ 159,396	\$ 102,259	\$ 104,115
Interest	57,420	72,831	56,165	49,433
Changes of Benefit Terms	-	-	-	-
Difference Between Expected and Actual Experience	1,351,398	-	(46,615)	-
Changes of Assumptions	(302,664)	469,642	508,474	(96,347)
Benefit Payments	(85,745)	(39,641)	(27,064)	(19,201)
Net Change in Total OPEB Liability	1,189,369	662,228	593,219	38,000
Total OPEB Liability - Beginning	2,556,878	1,894,650	1,301,431	1,263,431
Total OPEB Liability - Ending	<u>\$ 3,746,247</u>	<u>\$ 2,556,878</u>	<u>\$ 1,894,650</u>	<u>\$ 1,301,431</u>
County's Covered Employee Payroll	\$ 8,365,135	\$ 9,408,874	\$ 8,876,296	\$ 8,235,801
Sheriff's Office Total OPEB Liability as a Percentage of Covered Employee Payroll	44.78 %	27.18 %	21.35 %	15.80 %

Notes to Schedule:

The OPEB plan is not administered through a trust, and there are no assets accumulated in trust for payment of benefits.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2021:	2.19 %
Fiscal Year Ending September 30, 2020:	2.14 %
Fiscal Year Ending September 30, 2019:	3.58 %
Fiscal Year Ending September 30, 2018:	4.18 %

Benefit Payments. The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2021. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY—
FLORIDA RETIREMENT SYSTEM PENSION PLAN (CONTINUED) ¹
LAST TEN MEASUREMENT PERIODS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Proportion of the Net Pension Liability	0.081222186%	0.088037802%	0.087347170%	0.083384060%	0.081590425%	0.077979631%	0.071348317%
County's Proportionate Share of the Net Pension Liability	\$ 6,135,413	\$ 38,156,880	\$ 30,081,149	\$ 25,115,711	\$ 24,133,900	\$ 19,689,918	\$ 9,215,593
County's Covered Payroll	\$ 20,913,540	\$ 20,286,748	\$ 19,629,430	\$ 18,428,478	\$ 17,371,706	\$ 16,129,110	\$ 15,134,444
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	29.34 %	188.09 %	153.25 %	158.97 %	138.93 %	122.08 %	60.89 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.40 %	78.85 %	82.61 %	84.26 %	83.89 %	84.88 %	92.00 %

*The Amounts Presented for Each Fiscal Year were Determined as of June 30.

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS —
FLORIDA RETIREMENT SYSTEM PENSION PLAN¹
LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 3,203,694	\$ 2,965,262	\$ 2,760,219	\$ 2,451,033	\$ 2,188,548	\$ 1,996,735	\$ 1,760,886
Contributions in Relation to the Contractually Required Contribution	<u>(3,203,694)</u>	<u>(2,965,262)</u>	<u>(2,760,219)</u>	<u>(2,451,033)</u>	<u>(2,188,548)</u>	<u>(1,996,735)</u>	<u>(1,760,886)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 21,144,263	\$ 20,424,895	\$ 19,839,364	\$ 18,615,015	\$ 17,832,443	\$ 16,609,997	\$ 15,216,538
Contributions as a Percentage of Covered Payroll	15.15 %	14.52 %	13.91 %	13.17 %	12.27 %	12.02 %	11.57 %

*The Amounts Presented for Each Fiscal Year were Determined as of September 30.

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY —
HEALTH INSURANCE SUBSIDY PENSION PLAN¹
LAST TEN MEASUREMENT PERIODS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Proportion of the Net Pension Liability	0.059001543%	0.058293800%	0.058602916%	0.056179309%	0.541727270%	0.051841413%	0.049930396%
County's Proportionate Share of the Net Pension Liability	\$ 7,237,426	\$ 7,117,578	\$ 6,557,080	\$ 5,946,081	\$ 5,792,398	\$ 6,041,902	\$ 5,092,115
County's Covered Payroll	\$ 20,913,540	\$ 20,286,748	\$ 19,629,430	\$ 18,428,478	\$ 17,371,706	\$ 16,129,110	\$ 15,134,444
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	34.61 %	35.08 %	33.40 %	32.27 %	33.34 %	37.46 %	33.65 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	3.56 %	3.00 %	2.63 %	2.15 %	1.64 %	0.97 %	0.50 %

*The Amounts Presented for Each Fiscal Year were Determined as of June 30.

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS —
HEALTH INSURANCE SUBSIDY PENSION PLAN¹
LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 351,402	\$ 338,711	\$ 328,832	\$ 307,879	\$ 294,660	\$ 273,024	\$ 206,972
Contributions in Relation to the Contractually Required Contribution	<u>(351,402)</u>	<u>(338,711)</u>	<u>(328,832)</u>	<u>(307,879)</u>	<u>(294,660)</u>	<u>(273,024)</u>	<u>(206,972)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 21,144,263	\$ 20,424,895	\$ 19,839,364	\$ 18,615,015	\$ 17,832,443	\$ 16,609,997	\$ 15,216,538
Contributions as a Percentage of Covered Payroll	1.66 %	1.66 %	1.66 %	1.65 %	1.65 %	1.64 %	1.36 %

*The Amounts Presented for Each Fiscal Year were Determined as of September 30.

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

**OKEECHOBEE COUNTY, FLORIDA
OTHER MAJOR GOVERNMENTAL FUND DESCRIPTION
CAPITAL PROJECTS FUNDS**

CAPITAL PROJECTS FUNDS

Capital Projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital – related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Capital Improvement Fund – The Capital Improvement Fund is a capital projects fund used to account for financial resources that are restricted, committed, or assigned to be used for acquisition and/or construction of major capital facilities and equipment other than those financed by enterprise operations. This includes the one cent additional sales tax, state grants, and federal grants.

Road Improvement Fund – The Road Improvement Fund is a capital projects fund used to account for financial resources that are restricted to be used for transportation expenditures needed to meet the requirement of the capital improvements elements of the adopted comprehensive plan. This includes the local option 5 cents fuel tax enacted effective January 1, 2008.

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 612,016	\$ 710,000	\$ 500,000	\$ (210,000)
Investment Income	90,000	50,000	6,705	(43,295)
Miscellaneous	1,000,000	2,572,906	2,572,906	-
Total Revenues	<u>1,702,016</u>	<u>3,332,906</u>	<u>3,079,611</u>	<u>(253,295)</u>
EXPENDITURES				
Current:				
General Government	413,274	593,925	372,226	221,699
Public Safety	45,351	65,750	24,198	41,552
Transportation	215,960	-	-	-
Capital Outlay	2,832,354	7,940,267	5,219,782	2,720,485
Total Expenditures	<u>3,506,939</u>	<u>8,599,942</u>	<u>5,616,206</u>	<u>2,983,736</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,804,923)	(5,267,036)	(2,536,595)	2,730,441
OTHER FINANCING SOURCES				
Transfers In	-	1,997,414	1,997,414	-
Sale of Surplus Assets	-	286,200	286,200	-
Issuance of Debt	-	52,750	52,750	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>2,336,364</u>	<u>2,336,364</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1,804,923)	(2,930,672)	(200,231)	2,730,441
Fund Balance - Beginning of Year	<u>3,145,840</u>	<u>3,993,055</u>	<u>2,577,955</u>	<u>(1,415,100)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 1,340,917</u></u>	<u><u>\$ 1,062,383</u></u>	<u><u>\$ 2,377,724</u></u>	<u><u>\$ 1,315,341</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
ROAD IMPROVEMENT FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 999,786	\$ 851,560	\$ 975,210	\$ 123,650
Intergovernmental	-	390,000	382,203	7,797
Investment Income	95,000	50,000	460	(49,540)
Total Revenues	<u>1,094,786</u>	<u>1,291,560</u>	<u>1,357,873</u>	<u>81,907</u>
EXPENDITURES				
Current:				
Transportation	790,000	1,137,642	1,018,058	119,584
Capital Outlay	<u>855,000</u>	<u>1,486,444</u>	<u>646,251</u>	<u>840,193</u>
Total Expenditures	<u>1,645,000</u>	<u>2,624,086</u>	<u>1,664,309</u>	<u>959,777</u>
NET CHANGE IN FUND BALANCE	(550,214)	(1,332,526)	(306,436)	1,041,684
Fund Balance - Beginning of Year	<u>5,529,757</u>	<u>6,205,130</u>	<u>6,059,001</u>	<u>(146,129)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 4,979,543</u></u>	<u><u>\$ 4,872,604</u></u>	<u><u>\$ 5,752,565</u></u>	<u><u>\$ 895,555</u></u>

**OKEECHOBEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION
YEAR ENDED SEPTEMBER 30, 2021**

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects. Following are descriptions of each special revenue fund.

Tourist Development Fund – The Tourist Development Fund is used to account for the 3% tourist development tax collected on transient rentals. These funds are used to increase tourism through various media, trade shows and sponsorship of area events.

Boating Improvement Fund – The Boating Improvement Fund is used to account for boater registration fees established by F.S. 328.72(15). These fees are used for providing recreational channel marking and public launching facilities and other boating related activities.

Tourism Special Revenue Fund – The Tourism Special Revenue Fund is used to account for a portion of the 3% Tourist Tax earned from the Tourist Development fund. This portion of the tourist tax is used to enhance public uses and access to Lake Okeechobee.

Residential Solid Waste Collection Fund – The Residential Solid Waste Collection Fund is used pursuant to Local Ordinance 98-06 to account for the mandatory collection and disposal of residential solid waste.

Library Brick Fund – The Library Brick Fund is used to account for funds raised by the library brick program. These funds are used for the sole purpose of purchasing library related equipment and materials.

Enhanced 9-1-1 System Fund – The Enhanced 9-1-1 System Fund accounts for user fees collected for providing and maintaining an enhanced emergency telephone service and related grants.

Federal Equitable Sharing Fund – The Federal Equitable Sharing Fund is used to account for funds received as a result of federal criminal, administrative or civil proceedings and revenues received from federal asset sharing programs.

Law Library Fund – The Law Library Fund is used to account for funds created by Local Ordinance 2004-05 for the use in the local library.

Mediation and Arbitration Fund – The Mediation and Arbitration Fund was used to account for a service charge of \$5 on any Circuit Court proceeding and a \$45 fee on any petition for modification of a final judgment or dissolution. These funds are used to fund family mediation. With the enactment of Article V of the state Constitution these funds are no longer collected. This fund will be closed out when the remainder of the funds are spent.

Drug Abuse Trust Fund – The Drug Abuse Trust Fund is used to account for funds collected by authority of Florida Statutes to be disbursed as assistance grants to drug abuse treatment and education programs.

Law Enforcement Trust Fund – The Law Enforcement Trust fund is used to account for funds received pursuant to F.S. 895.05 and used for school resource officers, crime prevention, drug education or other law enforcement purposes.

**OKEECHOBEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

SPECIAL REVENUE FUNDS (CONTINUED)

Unincorporated Service Area Fund – The Unincorporated Service Area Fund is used to account for the operations of the Planning & Zoning, Animal Control, Building Department, Code Enforcement and Economic development activities within the unincorporated area of the County. It is financed by service fees, as well as a portion of the Small County Surtax.

State Housing Initiative Partnership Fund – The State Housing Initiative Partnership Fund is a special revenue fund used to account for a grant from the state of Florida which is restricted to provide certain types of housing assistance to homeowners in the County.

Cemetery Trust Fund – The Cemetery Trust Fund is used to account for funds created by Local Ordinance 2003-05 for the operation and maintenance of County owned cemeteries.

Hurricane Housing Recovery Fund – The Hurricane Housing Recovery Fund is used to account for a grant from the state of Florida following the 2004 hurricane season for housing recovery for County residents.

Driver's Education Safety Trust Fund – The Driver's Education Safety Trust Fund is used to account for a \$3 fee established by F.S. 318.1215 for every civil traffic penalty to be used for driver's education programs in schools.

Court Innovation Fund – The Court Innovation Fund is used to account for funds created by Local Ordinance 2004-05 for use in the Court System.

Legal Aid Fund – The Legal Aid Fund is used to account for funds created by Local Ordinance 2004-05 for the use of legal aid.

Impact Fees Fund – The Impact Fees Fund is used to account for revenues received from impact fees that are restricted to new capital facilities that increase the level of service for roads, fire rescue corrections, and fire.

Teen Court Fund – The Teen Court Fund is used to account for funds created by Local Ordinance 2004-05 for the use of Teen Court.

Community Development Block Grant Fund –The Community Development Block Grant Fund is a special revenue fund used to account for a grant restricted for a specific project.

Solid Waste Management Fund – The Solid Waste Management Fund accounts for grants, monitoring fees assessed to the private contractor operating the Okeechobee landfill, and other revenues to be used for solid waste disposal services and to monitor the landfill.

Crime Prevention Fund – The Crime Prevention Fund is used to account for court fines collected under F.S. 775.083 which are dedicated for the use of crime prevention programs within the County, including safe neighborhood programs.

**OKEECHOBEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

SPECIAL REVENUE FUNDS (CONTINUED)

Mathewson Library Trust Fund – The Mathewson Library Trust Fund is used to account for funds bequeathed to the County for library use.

Sheriff's Inmate Welfare Fund – The Sheriff's Inmate Welfare Fund accounts for revenues earned by providing goods and services to inmates. These resources are used for the benefit of the inmates.

Sheriff's Community Donations Fund – The Community Donations Fund is used to account for donations received by the Sheriff to be used exclusively for donor specified purposes.

Sheriff's Special Duty Detail Fund – The Special Duty Detail Fund is a special revenue funds used to account for special duty detail services provided by Sheriff's Office members, to be used exclusively for payment of members for the services provided and administrative fees.

Tax Collector's Coquina Fund – The Tax Collector's Coquina Fund accounts for revenues received from the Coquina district.

Clerk's PRMT Fund – The Public Records Modernization Trust Fund (PRMT) reports the revenues and expenditures pursuant to Chapter 29.008, Florida Statutes.

Clerk's Court Related Fund – The Clerk's Court Related Fund is used to account for the state of Florida appropriations, charges for services, and fines and forfeitures which are restricted for the Clerk's court related activities.

Property Appraiser's Coquina Fund – The Property Appraiser's Coquina Fund accounts for revenues received from the Coquina district.

**OKEECHOBEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Special Revenue							
	Tourist Development	Boating Improvement	Tourism Special Revenue	Residential Solid Waste Collection	Library Brick	Enhanced 9-1-1 System	Federal Equitable Sharing	Law Library
ASSETS								
Cash and Cash Equivalents	\$ 295,364	\$ 321,832	\$ 154,587	\$ 269,797	\$ -	\$ 21,405	\$ 1,128	\$ 8,115
Investments	410,076	-	205,714	366,589	-	144,742	-	-
Accounts Receivable, Net	710	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	478
Due from Other Governments	44,856	-	-	-	-	253,734	-	576
Prepaid Items	5,036	-	-	-	-	9,541	-	-
Assets Available for Sale	-	-	-	-	-	-	-	-
Total Assets	\$ 756,042	\$ 321,832	\$ 360,301	\$ 636,386	\$ -	\$ 429,422	\$ 1,128	\$ 9,169
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ 19,340	\$ -	\$ -	\$ 213,655	\$ -	\$ -	\$ -	\$ 202
Due to Other Funds	-	-	-	-	-	-	-	8,967
Due to Other Governments	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-	-	-	-
Total Liabilities	19,340	-	-	213,655	-	-	-	9,169
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	-	-	-	-	-	57,826	-	-
Fund Balances (Deficits):								
Nonspendable	5,036	-	-	-	-	9,541	-	-
Restricted	731,666	321,832	360,301	-	-	362,055	1,128	-
Committed	-	-	-	422,731	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances (Deficits)	736,702	321,832	360,301	422,731	-	371,596	1,128	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 756,042	\$ 321,832	\$ 360,301	\$ 636,386	\$ -	\$ 429,422	\$ 1,128	\$ 9,169

**OKEECHOBEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2021**

	Special Revenue							
	Mediation and Arbitration	Drug Abuse Trust	Law Enforcement Trust	Unin- corporated Service Area	State Housing Initiative Partnership	Cemetery Trust	Hurricane Housing Recovery Fund	Driver's Education Safety Trust
ASSETS								
Cash and Cash Equivalents	\$ 33,451	\$ 25,933	\$ 181,666	\$ 677,765	\$ 761,090	\$ 191,565	\$ -	\$ 105,324
Investments	-	-	-	707,642	-	-	-	-
Accounts Receivable, Net	-	-	-	50	-	1,217	-	-
Due from Other Funds	-	550	171,171	-	21,516	-	-	888
Due from Other Governments	-	-	53,516	158,753	-	10,584	-	-
Prepaid Items	-	-	-	24,936	-	-	-	-
Assets Available for Sale	-	-	-	-	-	-	96,000	-
Total Assets	<u>\$ 33,451</u>	<u>\$ 26,483</u>	<u>\$ 406,353</u>	<u>\$ 1,569,146</u>	<u>\$ 782,606</u>	<u>\$ 203,366</u>	<u>\$ 96,000</u>	<u>\$ 106,212</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ 465,560	\$ 10,342	\$ 1,749	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-	-
Deposits	-	-	-	16,150	-	-	-	-
Advances from Other Funds	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	481,710	10,342	1,749	-	-
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	-	-	53,516	-	-	-	-	-
Fund Balances (Deficits):								
Nonspendable	-	-	-	24,936	-	-	-	-
Restricted	33,451	26,483	352,837	-	772,264	-	96,000	106,212
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	1,062,500	-	201,617	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances (Deficits)	<u>33,451</u>	<u>26,483</u>	<u>352,837</u>	<u>1,087,436</u>	<u>772,264</u>	<u>201,617</u>	<u>96,000</u>	<u>106,212</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 33,451</u>	<u>\$ 26,483</u>	<u>\$ 406,353</u>	<u>\$ 1,569,146</u>	<u>\$ 782,606</u>	<u>\$ 203,366</u>	<u>\$ 96,000</u>	<u>\$ 106,212</u>

**OKEECHOBEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2021**

	Special Revenue							
	Court Innovation	Legal Aid	Impact Fees	Teen Court	Community Development Block Grant	Solid Waste Management	Crime Prevention	Mathewson Library Trust
ASSETS								
Cash and Cash Equivalents	\$ 207,317	\$ -	\$ 1,174	\$ 9,282	\$ 500,000	\$ 981,026	\$ 351,947	\$ 893
Investments	-	-	-	-	-	-	-	-
Accounts Receivable, Net	-	-	-	-	-	-	-	-
Due from Other Funds	10,064	1,054	-	1,054	-	-	2,178	-
Due from Other Governments	-	-	-	-	-	42,715	-	-
Prepaid Items	-	-	-	-	-	604	-	-
Assets Available for Sale	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 217,381</u>	<u>\$ 1,054</u>	<u>\$ 1,174</u>	<u>\$ 10,336</u>	<u>\$ 500,000</u>	<u>\$ 1,024,345</u>	<u>\$ 354,125</u>	<u>\$ 893</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ -	\$ 2,724	\$ -	\$ 10,988	\$ -	\$ 2,339	\$ -	\$ 69
Due to Other Funds	-	146	-	-	-	-	-	-
Due to Other Governments	-	-	400	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	500,000	-	-	-
Total Liabilities	-	2,870	400	10,988	500,000	2,339	-	69
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	-	-	-	-	-	-	-	-
Fund Balances (Deficits):								
Nonspendable	-	-	-	-	-	604	-	-
Restricted	217,381	-	774	-	-	-	354,125	824
Committed	-	-	-	-	-	1,021,402	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	(1,816)	-	(652)	-	-	-	-
Total Fund Balances (Deficits)	<u>217,381</u>	<u>(1,816)</u>	<u>774</u>	<u>(652)</u>	<u>-</u>	<u>1,022,006</u>	<u>354,125</u>	<u>824</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 217,381</u>	<u>\$ 1,054</u>	<u>\$ 1,174</u>	<u>\$ 10,336</u>	<u>\$ 500,000</u>	<u>\$ 1,024,345</u>	<u>\$ 354,125</u>	<u>\$ 893</u>

**OKEECHOBEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2021**

	Special Revenue							Total All Nonmajor Governmental Funds
	Sheriff's Inmate Welfare	Sheriff's Community Donations	Sheriff's Special Duty Detail	Tax Collector's Coquina Fund	Clerk's PRMT	Clerk's Court Related	Property Appraiser's Coquina Fund	
ASSETS								
Cash and Cash Equivalents	\$ 501,005	\$ 90,444	\$ 745	\$ 99,121	\$ 840,886	\$ 423,402	\$ 49,291	\$ 7,105,555
Investments	-	-	-	-	-	-	-	1,834,763
Accounts Receivable, Net	48,039	-	-	-	-	-	-	50,016
Due from Other Funds	-	20,000	-	8,000	-	-	-	236,953
Due from Other Governments	-	-	-	-	-	68,776	-	633,510
Prepaid Items	-	-	-	-	-	8,780	-	48,897
Assets Available for Sale	-	-	-	-	-	-	-	96,000
Total Assets	\$ 549,044	\$ 110,444	\$ 745	\$ 107,121	\$ 840,886	\$ 500,958	\$ 49,291	\$ 10,005,694
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ 17,060	\$ -	\$ -	\$ -	\$ -	\$ 31,446	\$ 1,255	\$ 776,729
Due to Other Funds	20,000	-	-	-	-	-	-	29,113
Due to Other Governments	-	-	-	-	-	251,263	392	252,055
Deposits	-	-	-	-	-	218,249	-	234,399
Advances from Other Funds	-	-	-	-	-	-	-	500,000
Total Liabilities	37,060	-	-	-	-	500,958	1,647	1,792,296
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	-	-	-	-	-	-	-	111,342
Fund Balances (Deficits):								
Nonspendable	-	-	-	-	-	8,780	-	48,897
Restricted	511,984	110,444	745	-	840,886	-	-	5,201,392
Committed	-	-	-	107,121	-	-	47,644	1,598,898
Assigned	-	-	-	-	-	-	-	1,264,117
Unassigned	-	-	-	-	-	(8,780)	-	(11,248)
Total Fund Balances (Deficits)	511,984	110,444	745	107,121	840,886	-	47,644	8,102,056
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 549,044	\$ 110,444	\$ 745	\$ 107,121	\$ 840,886	\$ 500,958	\$ 49,291	\$ 10,005,694

OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue							
	Tourist Development	Boating Improvement	Tourism Special Revenue	Residential Solid Waste Collection	Library Brick	Enhanced 9-1-1 System	Federal Equitable Sharing	Law Library
REVENUES								
Taxes	\$ 372,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	20,156	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	270,603	-	-
Charges for Services	-	-	-	-	-	169,186	-	-
Fines and Forfeitures	-	-	-	-	-	-	-	10,943
Special Assessments	-	-	-	2,699,138	-	-	-	-
Investment Income	547	219	295	385	-	16,760	-	-
Miscellaneous	1,075	-	-	-	-	-	-	-
Total Revenues	<u>374,488</u>	<u>20,375</u>	<u>295</u>	<u>2,699,523</u>	<u>-</u>	<u>456,549</u>	<u>-</u>	<u>10,943</u>
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	1,976
Public Safety	-	-	-	-	-	344,085	-	-
Physical Environment	-	-	-	2,591,013	-	-	-	-
Economic Environment	287,593	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	13,111	17,700	-	-	26,928	-	-
Total Expenditures	<u>287,593</u>	<u>13,111</u>	<u>17,700</u>	<u>2,591,013</u>	<u>-</u>	<u>371,013</u>	<u>-</u>	<u>1,976</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	86,895	7,264	(17,405)	108,510	-	85,536	-	8,967
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	17,500	-	-	-	-	-
Transfers Out	(17,500)	-	-	-	-	(70,000)	-	(8,967)
Insurance Recoveries	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(17,500)</u>	<u>-</u>	<u>17,500</u>	<u>-</u>	<u>-</u>	<u>(70,000)</u>	<u>-</u>	<u>(8,967)</u>
NET CHANGE IN FUND BALANCES	69,395	7,264	95	108,510	-	15,536	-	-
Fund Balances (Deficits) - Beginning of Year, as Previously Reported	667,307	314,568	360,206	314,221	-	356,060	1,128	-
Change in Accounting Principle (See Note 20)	-	-	-	-	-	-	-	-
Fund Balances (Deficits) - Beginning of Year, as Restated	<u>667,307</u>	<u>314,568</u>	<u>360,206</u>	<u>314,221</u>	<u>-</u>	<u>356,060</u>	<u>1,128</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 736,702</u>	<u>\$ 321,832</u>	<u>\$ 360,301</u>	<u>\$ 422,731</u>	<u>\$ -</u>	<u>\$ 371,596</u>	<u>\$ 1,128</u>	<u>\$ -</u>

OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue							
	Mediation and Arbitration	Drug Abuse Trust	Law Enforcement Trust	Unin- corporated Service Area	State Housing Initiative Program	Cemetery Trust	Hurricane Housing Recovery Fund	Driver's Education Safety Trust
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ 916,464	\$ -	\$ 61,098	\$ -	\$ -
Licenses and Permits	-	-	-	991,074	-	-	-	-
Intergovernmental	-	-	73,002	36,960	371,516	-	-	-
Charges for Services	-	-	-	65,542	134,682	179,628	-	-
Fines and Forfeitures	-	2,317	-	36,357	-	-	-	11,879
Special Assessments	-	-	-	-	-	-	-	-
Investment Income	23	17	78	1,305	392	115	-	68
Miscellaneous	-	-	171,171	289,139	10	142	-	-
Total Revenues	<u>23</u>	<u>2,334</u>	<u>244,251</u>	<u>2,336,841</u>	<u>506,600</u>	<u>240,983</u>	<u>-</u>	<u>11,947</u>
EXPENDITURES								
Current:								
General Government	-	-	-	461,481	-	201,386	-	-
Public Safety	-	-	-	1,507,568	-	-	-	-
Physical Environment	-	-	-	-	-	-	-	-
Economic Environment	-	-	-	260,000	305,548	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,229,049</u>	<u>305,548</u>	<u>201,386</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	23	2,334	244,251	107,792	201,052	39,597	-	11,947
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	514,000	-	-	-	-
Transfers Out	-	-	(65,802)	(410,064)	-	-	-	-
Insurance Recoveries	-	-	-	2,464	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(65,802)</u>	<u>106,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	23	2,334	178,449	214,192	201,052	39,597	-	11,947
Fund Balances (Deficits) - Beginning of Year, as Previously Reported	33,428	24,149	174,388	873,244	571,212	162,020	96,000	94,265
Change in Accounting Principle (See Note 20)	-	-	-	-	-	-	-	-
Fund Balances (Deficits) - Beginning of Year, as Restated	<u>33,428</u>	<u>24,149</u>	<u>174,388</u>	<u>873,244</u>	<u>571,212</u>	<u>162,020</u>	<u>96,000</u>	<u>94,265</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 33,451</u>	<u>\$ 26,483</u>	<u>\$ 352,837</u>	<u>\$ 1,087,436</u>	<u>\$ 772,264</u>	<u>\$ 201,617</u>	<u>\$ 96,000</u>	<u>\$ 106,212</u>

OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue							
	Court Innovation	Legal Aid	Impact Fees	Teen Court	Community Development Block Grant	Solid Waste Management	Crime Prevention	Mathewson Library Trust
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	110,097	-	-
Charges for Services	-	-	-	-	-	248,801	-	-
Fines and Forfeitures	10,943	10,943	-	10,944	-	-	24,901	-
Special Assessments	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	551	236	1
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	<u>10,943</u>	<u>10,943</u>	<u>-</u>	<u>10,944</u>	<u>-</u>	<u>359,449</u>	<u>25,137</u>	<u>1</u>
EXPENDITURES								
Current:								
General Government	-	10,900	-	10,989	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	229,005	-	-
Economic Environment	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	796
Capital Outlay	17,765	-	-	-	-	-	-	-
Total Expenditures	<u>17,765</u>	<u>10,900</u>	<u>-</u>	<u>10,989</u>	<u>-</u>	<u>229,005</u>	<u>-</u>	<u>796</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(6,822)	43	-	(45)	-	130,444	25,137	(795)
OTHER FINANCING SOURCES (USES)								
Transfers In	9,010	-	-	-	-	-	-	-
Transfers Out	-	(43)	-	-	-	-	(4,500)	-
Insurance Recoveries	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>9,010</u>	<u>(43)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,500)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	2,188	-	-	(45)	-	130,444	20,637	(795)
Fund Balances (Deficits) - Beginning of Year, as Previously Reported	215,193	(1,816)	774	(607)	-	891,562	333,488	1,619
Change in Accounting Principle (See Note 20)	-	-	-	-	-	-	-	-
Fund Balances (Deficits) - Beginning of Year, as Restated	<u>215,193</u>	<u>(1,816)</u>	<u>774</u>	<u>(607)</u>	<u>-</u>	<u>891,562</u>	<u>333,488</u>	<u>1,619</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 217,381</u>	<u>\$ (1,816)</u>	<u>\$ 774</u>	<u>\$ (652)</u>	<u>\$ -</u>	<u>\$ 1,022,006</u>	<u>\$ 354,125</u>	<u>\$ 824</u>

OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue						Total All Nonmajor Governmental Funds
	Sheriff's Inmate Welfare	Sheriff's Community Donations	Sheriff's Special Duty Detail	Tax Collector's Coquina	Clerk's PRMT	Clerk's Court Related	
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,350,428
Licenses and Permits	-	-	-	-	-	-	1,011,230
Intergovernmental	-	-	-	-	-	686,880	1,558,736
Charges for Services	508,916	-	219,918	10,301	101,993	467,493	2,106,460
Fines and Forfeitures	-	-	-	-	-	419,127	538,354
Special Assessments	-	-	-	-	-	-	2,699,138
Investment Income	245	50	4	58	676	267	22,341
Miscellaneous	136	39,949	-	-	-	-	501,622
Total Revenues	509,297	39,999	219,922	10,359	102,669	1,573,767	9,788,309
EXPENDITURES							
Current:							
General Government	-	-	-	15,834	-	1,573,767	2,278,195
Public Safety	321,832	30,177	219,177	-	-	-	2,422,839
Physical Environment	-	-	-	-	-	-	2,820,018
Economic Environment	-	-	-	-	-	-	853,141
Culture and Recreation	-	-	-	-	-	-	796
Capital Outlay	25,412	-	-	-	-	-	107,015
Total Expenditures	347,244	30,177	219,177	15,834	-	1,573,767	8,482,004
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	162,053	9,822	745	(5,475)	102,669	-	1,306,305
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	540,510
Transfers Out	-	-	-	-	-	-	(576,876)
Insurance Recoveries	-	-	-	-	-	-	2,464
Total Other Financing Sources (Uses)	-	-	-	-	-	-	(33,902)
NET CHANGE IN FUND BALANCES	162,053	9,822	745	(5,475)	102,669	-	1,272,403
Fund Balances (Deficits) - Beginning of Year, as Previously Reported	349,931	83,548	-	112,596	738,217	-	6,812,579
Change in Accounting Principle (See Note 20)	-	17,074	-	-	-	-	17,074
Fund Balances (Deficits) - Beginning of Year, as Restated	349,931	100,622	-	112,596	738,217	-	6,829,653
FUND BALANCES (DEFICITS) - END OF YEAR	\$ 511,984	\$ 110,444	\$ 745	\$ 107,121	\$ 840,886	\$ -	\$ 8,102,056

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
TOURIST DEVELOPMENT FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 338,482	\$ 300,000	\$ 372,866	\$ 72,866
Investment Income	11,000	5,000	547	(4,453)
Miscellaneous	-	-	1,075	1,075
Total Revenues	<u>349,482</u>	<u>305,000</u>	<u>374,488</u>	<u>69,488</u>
EXPENDITURES				
Economic Environment	<u>306,902</u>	<u>344,013</u>	<u>287,593</u>	<u>56,420</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	42,580	(39,013)	86,895	125,908
OTHER FINANCING USES				
Transfers Out	<u>(17,500)</u>	<u>(17,500)</u>	<u>(17,500)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	25,080	(56,513)	69,395	125,908
Fund Balance - Beginning of Year	<u>615,807</u>	<u>651,757</u>	<u>667,307</u>	<u>15,550</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 640,887</u></u>	<u><u>\$ 595,244</u></u>	<u><u>\$ 736,702</u></u>	<u><u>\$ 141,458</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
BOATING IMPROVEMENT FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Licenses and Permits	\$ 27,000	\$ 27,000	\$ 20,156	\$ (6,844)
Investment Income	6,000	3,500	219	(3,281)
Total Revenues	<u>33,000</u>	<u>30,500</u>	<u>20,375</u>	<u>(10,125)</u>
EXPENDITURES				
Current:				
Culture and Recreation	2,300	2,500	-	2,500
Capital Outlay	30,000	345,201	13,111	332,090
Total Expenditures	<u>32,300</u>	<u>347,701</u>	<u>13,111</u>	<u>334,590</u>
NET CHANGE IN FUND BALANCE	700	(317,201)	7,264	324,465
Fund Balance - Beginning of Year	<u>286,043</u>	<u>323,619</u>	<u>314,568</u>	<u>(9,051)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 286,743</u></u>	<u><u>\$ 6,418</u></u>	<u><u>\$ 321,832</u></u>	<u><u>\$ 315,414</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
TOURISM SPECIAL REVENUE FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment Income	\$ 6,500	\$ 4,500	\$ 295	\$ (4,205)
EXPENDITURES				
Capital Outlay	64,600	17,700	17,700	-
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(58,100)	(13,200)	(17,405)	(4,205)
OTHER FINANCING SOURCES				
Transfers In	17,500	17,500	17,500	-
NET CHANGE IN FUND BALANCE	(40,600)	4,300	95	(4,205)
Fund Balance - Beginning of Year	348,259	377,581	360,206	(17,375)
FUND BALANCE - END OF YEAR	<u>\$ 307,659</u>	<u>\$ 381,881</u>	<u>\$ 360,301</u>	<u>\$ (21,580)</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
RESIDENTIAL SOLID WASTE COLLECTION FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Special Assessments	\$ 2,553,300	\$ 2,788,840	\$ 2,699,138	\$ (89,702)
Investment Income	25,000	18,000	385	(17,615)
Total Revenues	<u>2,578,300</u>	<u>2,806,840</u>	<u>2,699,523</u>	<u>(107,317)</u>
EXPENDITURES				
Physical Environment	<u>2,658,471</u>	<u>2,734,253</u>	<u>2,591,013</u>	<u>143,240</u>
NET CHANGE IN FUND BALANCE	(80,171)	72,587	108,510	35,923
Fund Balance - Beginning of Year	<u>850,163</u>	<u>173,529</u>	<u>314,221</u>	<u>140,692</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 769,992</u></u>	<u><u>\$ 246,116</u></u>	<u><u>\$ 422,731</u></u>	<u><u>\$ 176,615</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LIBRARY BRICK FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment Income	\$ 750	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
Culture and Recreation	2,322	-	-	-
NET CHANGE IN FUND BALANCE	(1,572)	-	-	-
Fund Balance - Beginning of Year	1,572	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
ENHANCED 9-1-1 SYSTEM FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 72,712	\$ 384,649	\$ 270,603	\$ (114,046)
Charges for Services	190,970	183,708	169,186	(14,522)
Investment Income	8,000	20,681	16,760	(3,921)
Total Revenues	<u>271,682</u>	<u>589,038</u>	<u>456,549</u>	<u>(132,489)</u>
EXPENDITURES				
Current:				
Public Safety	214,812	375,310	344,085	31,225
Capital Outlay	-	38,826	26,928	11,898
Total Expenditures	<u>214,812</u>	<u>414,136</u>	<u>371,013</u>	<u>43,123</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	56,870	174,902	85,536	(89,366)
OTHER FINANCING USES				
Transfers Out	<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(13,130)	104,902	15,536	(89,366)
Fund Balance - Beginning of Year	<u>346,571</u>	<u>329,314</u>	<u>356,060</u>	<u>26,746</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 333,441</u></u>	<u><u>\$ 434,216</u></u>	<u><u>\$ 371,596</u></u>	<u><u>\$ (62,620)</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
FEDERAL EQUITABLE SHARING FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment Income	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	1,118	1,128	1,128	-
FUND BALANCE - END OF YEAR	<u>\$ 1,118</u>	<u>\$ 1,128</u>	<u>\$ 1,128</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LAW LIBRARY FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 12,600	\$ 12,600	\$ 10,943	\$ (1,657)
EXPENDITURES				
General Government	4,200	4,200	1,976	2,224
EXCESS OF REVENUES OVER EXPENDITURES	8,400	8,400	8,967	567
OTHER FINANCING USES				
Transfers Out	(8,400)	(8,400)	(8,967)	(567)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
MEDIATION AND ARBITRATION FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment Income	\$ 700	\$ 400	\$ 23	\$ (377)
EXPENDITURES				
General Government	998	998	-	998
NET CHANGE IN FUND BALANCE	(298)	(598)	23	621
Fund Balance - Beginning of Year	34,002	33,393	33,428	35
FUND BALANCE - END OF YEAR	<u>\$ 33,704</u>	<u>\$ 32,795</u>	<u>\$ 33,451</u>	<u>\$ 656</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
DRUG ABUSE TRUST FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 10,000	\$ 10,000	\$ 2,317	\$ (7,683)
Investment Income	250	250	17	(233)
Total Revenues	<u>10,250</u>	<u>10,250</u>	<u>2,334</u>	<u>(7,916)</u>
EXPENDITURES				
General Government	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>12,000</u>
NET CHANGE IN FUND BALANCE	(1,750)	(1,750)	2,334	4,084
Fund Balance - Beginning of Year	<u>8,979</u>	<u>23,636</u>	<u>24,149</u>	<u>513</u>
FUND BALANCE - END OF YEAR	<u>\$ 7,229</u>	<u>\$ 21,886</u>	<u>\$ 26,483</u>	<u>\$ 4,597</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 73,002	\$ 73,002
Investment Income	1,000	500	78	(422)
Miscellaneous	-	-	171,171	171,171
Total Revenues	<u>1,000</u>	<u>500</u>	<u>244,251</u>	<u>243,751</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,000	500	244,251	243,751
OTHER FINANCING USES				
Transfers Out	<u>-</u>	<u>(65,802)</u>	<u>(65,802)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	1,000	(65,302)	178,449	243,751
Fund Balance - Beginning of Year	<u>46,924</u>	<u>174,388</u>	<u>174,388</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 47,924</u>	<u>\$ 109,086</u>	<u>\$ 352,837</u>	<u>\$ 243,751</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
UNINCORPORATED SERVICE AREA FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 861,601	\$ 719,495	\$ 916,464	\$ 196,969
Licenses and Permits	597,500	991,074	991,074	-
Intergovernmental	34,481	34,481	36,960	2,479
Charges for Services	132,200	73,746	65,542	(8,204)
Fines and Forfeitures	45,500	31,739	36,357	4,618
Investment Income	15,000	11,000	1,305	(9,695)
Miscellaneous	338,850	491,849	289,139	(202,710)
Total Revenues	<u>2,025,132</u>	<u>2,353,384</u>	<u>2,336,841</u>	<u>(16,543)</u>
EXPENDITURES				
Current:				
General Government	499,859	557,701	461,481	96,220
Public Safety	1,151,770	1,606,940	1,507,568	99,372
Economic Environment	260,000	260,000	260,000	-
Capital Outlay	89,000	4,320	-	4,320
Total Expenditures	<u>2,000,629</u>	<u>2,428,961</u>	<u>2,229,049</u>	<u>199,912</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	24,503	(75,577)	107,792	183,369
OTHER FINANCING SOURCES (USES)				
Transfers In	250,000	514,000	514,000	-
Transfers Out	(530,890)	(410,064)	(410,064)	-
Insurance Recoveries	-	2,153	2,464	311
Total Other Financing Sources (Uses)	<u>(280,890)</u>	<u>106,089</u>	<u>106,400</u>	<u>311</u>
NET CHANGE IN FUND BALANCE	(256,387)	30,512	214,192	183,680
Fund Balance - Beginning of Year	<u>1,023,043</u>	<u>809,099</u>	<u>873,244</u>	<u>64,145</u>
FUND BALANCE - END OF YEAR	<u>\$ 766,656</u>	<u>\$ 839,611</u>	<u>\$ 1,087,436</u>	<u>\$ 247,825</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
STATE HOUSING INITIATIVE PARTNERSHIP FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 350,000	\$ -	\$ 371,516	\$ 371,516
Charges for Services	-	53,798	134,682	80,884
Investment Income	15,000	10,000	392	(9,608)
Miscellaneous	-	-	10	10
Total Revenues	<u>365,000</u>	<u>63,798</u>	<u>506,600</u>	<u>442,802</u>
EXPENDITURES				
Current:				
Economic Environment	<u>1,370,612</u>	<u>780,897</u>	<u>305,548</u>	<u>475,349</u>
NET CHANGE IN FUND BALANCE	(1,005,612)	(717,099)	201,052	918,151
Fund Balance - Beginning of Year	<u>1,005,612</u>	<u>717,099</u>	<u>571,212</u>	<u>(145,887)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 772,264</u></u>	<u><u>\$ 772,264</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
CEMETERY TRUST FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 56,312	\$ 47,965	\$ 61,098	\$ 13,133
Charges for Services	102,100	130,350	179,628	49,278
Investment Income	2,000	1,500	115	(1,385)
Miscellaneous	-	20,000	142	(19,858)
Total Revenues	<u>160,412</u>	<u>199,815</u>	<u>240,983</u>	<u>41,168</u>
EXPENDITURES				
Current:				
General Government	220,583	231,990	201,386	30,604
Capital Outlay	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>225,583</u>	<u>231,990</u>	<u>201,386</u>	<u>30,604</u>
NET CHANGE IN FUND BALANCE	(65,171)	(32,175)	39,597	71,772
Fund Balance - Beginning of Year	<u>122,688</u>	<u>153,417</u>	<u>162,020</u>	<u>8,603</u>
FUND BALANCE - END OF YEAR	<u>\$ 57,517</u>	<u>\$ 121,242</u>	<u>\$ 201,617</u>	<u>\$ 80,375</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
DRIVER'S EDUCATION SAFETY TRUST FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 14,000	\$ 14,000	\$ 11,879	\$ (2,121)
Investment Income	1,000	600	68	(532)
Total Revenues	<u>15,000</u>	<u>14,600</u>	<u>11,947</u>	<u>(2,653)</u>
EXPENDITURES				
Public Safety	<u>92,036</u>	<u>108,115</u>	<u>-</u>	<u>108,115</u>
NET CHANGE IN FUND BALANCE	(77,036)	(93,515)	11,947	105,462
Fund Balance - Beginning of Year	<u>77,036</u>	<u>93,515</u>	<u>94,265</u>	<u>750</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 106,212</u></u>	<u><u>\$ 106,212</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
COURT INNOVATION FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 12,684	\$ 12,684	\$ 10,943	\$ (1,741)
EXPENDITURES				
Current:				
General Government	15,000	-	-	-
Capital Outlay	17,837	17,765	17,765	-
Total Expenditures	<u>32,837</u>	<u>17,765</u>	<u>17,765</u>	<u>-</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(20,153)	(5,081)	(6,822)	(1,741)
OTHER FINANCING SOURCES				
Transfers In	<u>11,791</u>	<u>11,791</u>	<u>9,010</u>	<u>(2,781)</u>
NET CHANGE IN FUND BALANCE	(8,362)	6,710	2,188	(4,522)
Fund Balance - Beginning of Year	<u>202,060</u>	<u>214,559</u>	<u>215,193</u>	<u>634</u>
FUND BALANCE - END OF YEAR	<u>\$ 193,698</u>	<u>\$ 221,269</u>	<u>\$ 217,381</u>	<u>\$ (3,888)</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LEGAL AID FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 12,684	\$ 12,684	\$ 10,943	\$ (1,741)
EXPENDITURES				
General Government	10,900	10,900	10,900	-
EXCESS OF REVENUES OVER EXPENDITURES	1,784	1,784	43	(1,741)
OTHER FINANCING USES				
Transfers Out	(1,784)	(1,784)	(43)	1,741
NET CHANGE IN FUND DEFICIT	-	-	-	-
Fund Balance - Beginning of Year	-	-	(1,816)	(1,816)
FUND DEFICIT - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,816)</u>	<u>\$ (1,816)</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
TEEN COURT FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 12,596	\$ 12,596	\$ 10,944	\$ (1,652)
EXPENDITURES				
General Government	10,989	10,989	10,989	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,607	1,607	(45)	(1,652)
OTHER FINANCING USES				
Transfers Out	(1,607)	(1,607)	-	1,607
NET CHANGE IN FUND DEFICIT	-	-	(45)	(45)
Fund Deficit - Beginning of Year	-	-	(607)	(607)
FUND DEFICIT - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (652)</u>	<u>\$ (652)</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
SOLID WASTE MANAGEMENT FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 90,909	\$ 115,328	\$ 110,097	\$ (5,231)
Charges for Services	244,050	244,050	248,801	4,751
Investment Income	6,500	4,000	551	(3,449)
Total Revenues	<u>341,459</u>	<u>363,378</u>	<u>359,449</u>	<u>(3,929)</u>
EXPENDITURES				
Physical Environment	<u>315,294</u>	<u>345,666</u>	<u>229,005</u>	<u>116,661</u>
NET CHANGE IN FUND BALANCE	26,165	17,712	130,444	112,732
Fund Balance - Beginning of Year	<u>539,670</u>	<u>874,347</u>	<u>891,562</u>	<u>17,215</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 565,835</u></u>	<u><u>\$ 892,059</u></u>	<u><u>\$ 1,022,006</u></u>	<u><u>\$ 129,947</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
MATHEWSON LIBRARY TRUST FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment Income	\$ -	\$ -	\$ 1	\$ 1
EXPENDITURES				
Current:				
Culture and Recreation	3,042	1,619	796	823
NET CHANGE IN FUND BALANCE	(3,042)	(1,619)	(795)	824
Fund Balance - Beginning of Year	3,042	3,038	1,619	(1,419)
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 1,419</u>	<u>\$ 824</u>	<u>\$ (595)</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
SHERIFF'S INMATE WELFARE FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 346,333	\$ 346,333	\$ 508,916	\$ 162,583
Investment Income	-	-	245	245
Miscellaneous	-	-	136	136
Total Revenues	<u>346,333</u>	<u>346,333</u>	<u>509,297</u>	<u>162,964</u>
EXPENDITURES				
Current:				
Public Safety	309,583	309,583	321,832	(12,249)
Capital Outlay	<u>36,750</u>	<u>36,750</u>	<u>25,412</u>	<u>11,338</u>
Total Expenditures	<u>346,333</u>	<u>346,333</u>	<u>347,244</u>	<u>(911)</u>
NET CHANGE IN FUND BALANCE	-	-	162,053	162,053
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>349,931</u>	<u>349,931</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 511,984</u>	<u>\$ 511,984</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
CLERK'S COURT RELATED FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 632,791	\$ 688,854	\$ 686,880	\$ (1,974)
Charges for Services	405,946	405,946	467,493	61,547
Fines and Forfeitures	357,526	357,526	419,127	61,601
Investment Income	9,674	9,674	267	(9,407)
Total Revenues	<u>1,405,937</u>	<u>1,462,000</u>	<u>1,573,767</u>	<u>111,767</u>
EXPENDITURES				
Current:				
General Government	<u>1,518,239</u>	<u>1,574,302</u>	<u>1,573,767</u>	<u>535</u>
Total Expenditures	<u>1,518,239</u>	<u>1,574,302</u>	<u>1,573,767</u>	<u>535</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(112,302)	(112,302)	-	112,302
OTHER FINANCING SOURCES				
Transfers In	<u>112,302</u>	<u>112,302</u>	<u>-</u>	<u>(112,302)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA
FIDUCIARY FUNDS DESCRIPTIONS
YEAR ENDED SEPTEMBER 30, 2021**

These funds are used to account for assets held by the County in a fiduciary capacity for individuals, other governmental units and nonpublic organizations.

The County maintains the following Fiduciary Funds:

Custodial Funds:

Clerk's Tax Deed – The Clerk's Tax Deed Fund is used to account for amounts collected through tax deed application transactions that are due to other governmental agencies.

Clerk's Documentary Stamps – The Clerk's Documentary Stamps Fund is used to account for amounts collected through official records transactions that are due to the state of Florida.

Clerk's Intangible Taxes – The Clerk's Intangible Taxes fund is used to account for amounts collected through official records transactions that are due to the state of Florida.

Clerk's Cash Bond – The Clerk's Cash Bond Fund is used to account for cash bonds posted by inmates at the County jail.

Clerk's Registry of the Court – The Clerk's Registry of the Court Fund is used to account for amounts ordered by the Court to be retained for future dispensation.

Clerk's Escrow – The Clerk's Escrow Fund is used to account for amounts that have yet to be determined how they are to be treated.

Clerk's Child Support – The Clerk's Child Support Fund is used to account for child support and/or alimony payments collected by the Clerk and remitted to the State Disbursement Unit to be forwarded to the recipients.

Clerk's Fines and Costs – The Clerk's Fines and Costs Fund is used to account for amounts collected through court transactions that are to be remitted to other governmental agencies.

Clerk's Restitution – The Clerk's Restitution Fund is used to account for Court ordered restitution received that is due to other individuals.

Tax Collector's Tax Collector Fund – The Tax Collector's Tax Collector Fund is used to account for collection of ad valorem and non-ad valorem taxes, tangible personal property taxes, and hunting and fishing licenses remitted to various taxing agencies and the state of Florida.

Tax Collector's Tax Fund – The Tax Collector's Tax Fund is used to account for the collection of redeemed tax certificates issued in connection with delinquent ad valorem taxes and remittance to the certificate holders.

Tax Collector's Tag Fund – The Tax Collector's Tag Fund is used to account for motor vehicle and vessel registration, title, and transfer fees remitted to the state of Florida.

**OKEECHOBEE COUNTY, FLORIDA
FIDUCIARY FUNDS DESCRIPTIONS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

Custodial Funds (Continued):

Sheriff's Individual Depositor – The Sheriff's Individual Depositor Fund is used to account for fees charged to serve civil process.

Sheriff's Cash Bond – The Sheriff's Cash Bond Fund is used to account for all cash bonds collected on a daily bases.

Sheriff's Inmate Trust – The Sheriff's Inmate Trust Fund is used to account for monies collected from inmates who have money in their possession at the time of their arrest and subsequent deposits to their accounts during incarceration.

Sheriff's Special Suspense – The Sheriff's Special Suspense Fund is used to account for forfeitures, vehicle administrative fees, court order payments and other amounts collected for various agencies.

**OKEECHOBEE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 ALL CUSTODIAL FUNDS
 SEPTEMBER 30, 2021**

Custodial Funds									
	Clerk's Tax Deed	Clerk's Documentary Stamps	Clerk's Intangible Taxes	Clerk's Cash Bond	Clerk's Registry of the Court	Clerk's Escrow	Clerk's Child Support	Clerk's Fines and Costs	Clerk's Restitution
ASSETS									
Cash	\$ 320,318	\$ 123,014	\$ 25,585	\$ 156,600	\$ 274,747	\$ 343,025	\$ 565	\$ 80,560	\$ 1,797
Due from Others	-	-	-	-	-	-	3	-	-
Total Assets	<u>320,318</u>	<u>123,014</u>	<u>25,585</u>	<u>156,600</u>	<u>274,747</u>	<u>343,025</u>	<u>568</u>	<u>80,560</u>	<u>1,797</u>
LIABILITIES									
Due to Others	-	-	-	-	-	-	18	-	1,797
Due to Other Governments	-	123,014	25,585	-	-	-	550	80,560	-
Deposit	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>123,014</u>	<u>25,585</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>568</u>	<u>80,560</u>	<u>1,797</u>
FIDUCIARY NET POSITION									
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 320,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,600</u>	<u>\$ 274,747</u>	<u>\$ 343,025</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL AGENCY FUNDS (CONTINUED)
SEPTEMBER 30, 2021**

	Custodial Funds							
	Tax Collector's Tax Collector Fund	Tax Collector's Tax Fund	Tax Collector's Tag Fund	Sheriff's Individual Depositor	Sheriff's Cash Bond	Sheriff's Inmate Trust	Sheriff's Special Suspense	Total
ASSETS								
Cash	\$ 197,333	\$ 134,560	\$ 122,175	\$ 4,885	\$ -	\$ 55,824	\$ 18,066	\$ 1,859,054
Due from Others	-	-	442	-	-	-	-	445
Total Assets	<u>197,333</u>	<u>134,560</u>	<u>122,617</u>	<u>4,885</u>	<u>-</u>	<u>55,824</u>	<u>18,066</u>	<u>1,859,499</u>
LIABILITIES								
Due to Others	-	104,406	1,277	1,510	-	30,041	-	139,049
Due to Other Governments	3,821	-	121,340	-	-	-	18,051	372,921
Deposit	<u>193,512</u>	<u>30,154</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>223,666</u>
Total Liabilities	<u>197,333</u>	<u>134,560</u>	<u>122,617</u>	<u>1,510</u>	<u>-</u>	<u>30,041</u>	<u>18,051</u>	<u>735,636</u>
FIDUCIARY NET POSITION								
Restricted for Individuals, Organizations, and Other Governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,375</u>	<u>\$ -</u>	<u>\$ 25,783</u>	<u>\$ 15</u>	<u>\$ 1,123,863</u>

OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021

Custodial Funds

	Clerk's Tax Deed	Clerk's Documentary Stamps	Clerk's Intangible Taxes	Clerk's Cash Bond	Clerk's Registry of the Court	Clerk's Escrow	Clerk's Child Support	Clerk's Fines and Costs	Clerk's Restitution
ADDITIONS									
Fees, Fines, and Taxes Collected for Other Governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 655,433	\$ -
Registry and Other Deposits Collected	918,813	4,446,100	542,957	241,942	1,114,489	400,315	470,088	-	5,840
Collections from Individuals	-	-	-	-	-	-	-	-	-
Total Additions	<u>918,813</u>	<u>4,446,100</u>	<u>542,957</u>	<u>241,942</u>	<u>1,114,489</u>	<u>400,315</u>	<u>470,088</u>	<u>655,433</u>	<u>5,840</u>
DEDUCTIONS									
Fees, Fines, and Taxes Disbursed to Other Governments	-	-	-	-	-	-	-	655,433	-
Registry and Other Deposits Disbursed	614,880	4,446,100	542,957	149,742	1,069,672	154,764	470,088	-	5,840
Payments to Other Governments, Entities, or Individuals	-	-	-	-	-	-	-	-	-
Total Deductions	<u>614,880</u>	<u>4,446,100</u>	<u>542,957</u>	<u>149,742</u>	<u>1,069,672</u>	<u>154,764</u>	<u>470,088</u>	<u>655,433</u>	<u>5,840</u>
CHANGE IN FIDUCIARY NET POSITION	303,933	-	-	92,200	44,817	245,551	-	-	-
Fiduciary Net Position - Beginning of Year (Restated, See Note 20)	<u>16,385</u>	<u>-</u>	<u>-</u>	<u>64,400</u>	<u>229,930</u>	<u>97,474</u>	<u>-</u>	<u>-</u>	<u>-</u>
FIDUCIARY NET POSITION - END OF YEAR	<u><u>\$ 320,318</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 156,600</u></u>	<u><u>\$ 274,747</u></u>	<u><u>\$ 343,025</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

	Custodial Funds							
	Tax Collector's Tax Collector Fund	Tax Collector's Tax Fund	Tax Collector's Tag Fund	Sheriff's Individual Depositor	Sheriff's Cash Bond	Sheriff's Inmate Trust	Sheriff's Special Suspense	Total
ADDITIONS								
Fees, Fines, and Taxes								
Collected for Other Governments	\$ 26,384,370	\$ 3,828,881	\$ 7,539,849	\$ -	\$ -	\$ -	\$ -	\$ 38,408,533
Registry and Other Deposits								
Collected	-	-	-	-	-	-	-	8,140,544
Collections from Individuals	-	-	-	27,218	247,466	475,086	24,490	774,260
Total Additions	<u>26,384,370</u>	<u>3,828,881</u>	<u>7,539,849</u>	<u>27,218</u>	<u>247,466</u>	<u>475,086</u>	<u>24,490</u>	<u>47,323,337</u>
DEDUCTIONS								
Fees, Fines, and Taxes								
Disbursed to Other Governments	26,384,370	3,828,881	7,539,849	-	-	-	-	38,408,533
Registry and Other Deposits								
Disbursed	-	-	-	-	-	-	-	7,454,043
Payments to Other Governments,								
Entities, or Individuals	-	-	-	23,843	247,466	474,426	24,475	770,210
Total Deductions	<u>26,384,370</u>	<u>3,828,881</u>	<u>7,539,849</u>	<u>23,843</u>	<u>247,466</u>	<u>474,426</u>	<u>24,475</u>	<u>46,632,786</u>
CHANGE IN FIDUCIARY NET POSITION	-	-	-	3,375	-	660	15	690,551
Fiduciary Net Position -								
Beginning of Year								
(Restated, See Note 20)	-	-	-	-	-	25,123	-	433,312
FIDUCIARY NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,375</u>	<u>\$ -</u>	<u>\$ 25,783</u>	<u>\$ 15</u>	<u>\$ 1,123,863</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2021**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Federal Awards				
U.S. Department of Homeland Security				
Federal Emergency Management Agency				
Pass-through from Florida Division of Emergency Management:				
Homeland Security Grant Program	97.067	G0146	\$ 29,177	\$ -
Pass-through from Florida Division of Emergency Management:				
Emergency Management Performance Grants - Base Grant	97.042	G0274	15,134	-
Emergency Management Performance Grants - Base Grant	97.042	G1078	9,121	-
Total Emergency Management Performance Grants			<u>24,255</u>	<u>-</u>
Total U.S. Department of Homeland Security			53,432	-
U.S. Department of Health and Human Services				
Covid-19 Provider Relief Funds (Okeechobee EMS)	93.498	N/A	31,882	-
Pass-through Florida Department of Elder Affairs and the Area Agency on Aging, Inc.:				
Aging Cluster:				
Special Programs for the Aging Title III, Part B				
Grants for Supportive Services and Senior Centers:				
Title III, Part B	93.044	IA020-9400	7,175	-
Title III, Part B	93.044	IA021-9400	27,909	-
Total Title III, Part B			<u>35,084</u>	<u>-</u>
Special Programs for the Aging Title III, Part C Nutrition:				
Title III, Part C (C1) Congregate Meals	93.045	IA020-9400	1,604	-
Title III, Part C (C1) Congregate Meals	93.045	IA021-9400	15,982	-
Title III, Part C (C2) Home Delivered Meals	93.045	IA020-9400	22,570	-
COVID-19 Title III, Part C (C2) Home Delivered Meals	93.045	IA021-9400	55,385	-
Total Title III Part C			<u>95,541</u>	<u>-</u>
Nutrition Services Incentive Program	93.053	IA020-9400	6,414	-
Nutrition Services Incentive Program	93.053	IA021-9400	15,273	-
Total Nutrition Services Incentive Program			<u>21,687</u>	<u>-</u>
Total Aging Cluster			152,312	-
National Family Caregiver Support, Title III, Part E:				
Title III, Part E	93.052	IA020-9400	657	-
Title III, Part E	93.052	IA021-9400	14,821	-
Total Title III, Part E			<u>15,478</u>	<u>-</u>
Low-Income Home Energy Assistance:				
Covid-19 Emergency Home Energy Assistance CARES	93.568	IPC20-9400	18,974	-
Emergency Home Energy Assistance	93.568	IP020-9400	16,367	-
Emergency Home Energy Assistance	93.568	IP021-9400	2,835	-
Total Emergency Home Energy Assistance			<u>38,176</u>	<u>-</u>
Pass-through from U.S. Agency for Children and Families and Office of Child Support Enforcement, Florida Department of Revenue				
Child Support Enforcement	93.563	COC47	176,563	-
Pass-through from Department of Economic Opportunity				
Division of Community Development:				
Community Services Block Grant	93.569	17-SB-OD-12-00-01-123	37,039	-
Total U.S. Department of Health and Human Services			451,450	-

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

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Federal Awards (Continued):				
U.S. Election Assistance Commission				
Pass-through Florida Department of State, Division of Elections:				
Help America Vote Act Requirements Payments - Voting Systems	90.401	MOA 2019-2020-0001-OKE	6,200	-
Help America Vote Act Requirements Payments - Cybersecurity	90.401	E21E018	14,153	-
Total Help America Vote Act Requirements Payments			<u>20,353</u>	<u>-</u>
Total U.S. Election Assistance Commission			20,353	-
U.S. Department of Justice				
Pass-through Florida Department of Law Enforcement:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-JAGC-OKEE-1-5R-161	61,098	-
Pass-through Florida Department of Law Enforcement:				
National Crime Statistics Exchange Program - OCSO FIBRS Implementation	16.734	2020-NCSX-OKEE-1-D6-004	<u>40,611</u>	<u>-</u>
Total U.S. Department of Justice			101,709	-
U.S. Department of Transportation				
Federal Aviation Administration:				
Airport Improvement Program - Design Rehab Runway 5/23 & AWOS III	20.106	3-12-0056-020-2020	<u>566,394</u>	<u>-</u>
Total U.S. Department of Transportation			566,394	-
U.S. Department of the Treasury				
Pass-through Florida Department of Emergency Management				
COVID-19 Coronavirus Relief Fund	21.019	Y2296	1,280,166	-
Pass-through Florida Housing Finance Corporation				
COVID-19 Coronavirus Relief Fund	21.019	081-2020	<u>229,251</u>	<u>-</u>
Total COVID-19 Coronavirus Relief Fund			<u>1,509,417</u>	<u>-</u>
Total U.S. Department of the Treasury			<u>1,509,417</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 2,702,755</u>	<u>\$ -</u>

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

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

State Grantor/Pass through Grantor/Program	Assistance Listing Number	Pass-Through Entity Identifying Number	State Expenditures	Passed Through to Subrecipients
State Financial Assistance				
Florida Executive Office of the Governor				
Division of Emergency Management				
Emergency Management Programs	31.063	A0106	\$ 105,806	\$ -
Emergency Management Programs	31.063	A0189	29,424	-
Total Emergency Management Programs			<u>135,230</u>	<u>-</u>
Total Florida Executive Office of the Governor			135,230	-
Florida Department of Environmental Protection				
Small County Consolidated (Solid Waste) Grant	37.012	SC125	110,097	-
Statewide Water Quality Restoration Projects	37.039	0014Y	<u>382,203</u>	<u>-</u>
Total Florida Department of Environmental Protection			492,300	-
Florida Housing Finance Corporation				
State Housing Initiative Partnership (SHIP)	40.901	N/A	<u>305,549</u>	<u>-</u>
Total Florida Housing Finance Corporation			305,549	-
Florida Department of Agriculture and Consumer Services				
Mosquito Control	42.003	27453	<u>36,960</u>	<u>-</u>
Total Florida Department of Agriculture and Consumer Services			36,960	-
Florida Department of Financial Services				
Local Government Fire Service Grants	43.009	FM456	<u>434,358</u>	<u>-</u>
Total Florida Department of Financial Services			434,358	-
Florida Department of State				
State Aid to Libraries	45.030	21-ST-17	<u>156,885</u>	<u>-</u>
Total Florida Department of State			156,885	-
Florida Department of Education				
Coach Aaron Feis Guardian Program	48.140	96Q-90210-0D001	<u>11,629</u>	<u>-</u>
Total Florida Department of Education			11,629	-
Florida Department of Transportation				
Small County Outreach Program - NE 36th	55.009	436866-1-54-01, GON05	1,986,717	-
Small County Outreach Program - CR68 (Micco Bluff)	55.009	436867-1-54-01	278,141	-
Total SCOP			<u>2,264,858</u>	<u>-</u>
Total Florida Department of Transportation			2,264,858	-
Florida Department of Health				
Emergency Medical Services Program	64.005	C9047	<u>12,089</u>	<u>-</u>
Total Florida Department of Health			12,089	-

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

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

<u>State Grantor/Pass through Grantor/Program</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>State Expenditures</u>	<u>Passed Through to Subrecipients</u>
State Financial Assistance (Continued)				
Florida Department of Elder Affairs				
Home Care for the Elderly	65.001	IH020-9400	1,880	-
Home Care for the Elderly	65.001	IH020-9400	418	-
Total Home Care for the Elderly			2,298	-
Alzheimer's Respite Services	65.004	IZ019-9400	24,068	-
Alzheimer's Respite Services	65.004	IZ020-9400	10,489	-
Total Alzheimer's Respite Services			34,557	-
Community Care for the Elderly	65.010	IC020-9400	113,394	-
Community Care for the Elderly	65.010	IC021-9400	53,457	-
Total Community Care for the Elderly			166,851	-
Total Florida Department of Elder Affairs			203,706	-
Florida Department of Management Services				
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	20-04-25	15,178	-
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	20-10-14	22,733	-
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	TC116	2,764	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	TC113	178,816	-
Total Florida Department of Management Services			219,491	-
Total Expenditures of State Financial Assistance			\$ 4,273,055	\$ -

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

OKEECHOBEE COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal award and state financial assistance activity of Okeechobee County, Florida (County) under programs of the federal government and state of Florida for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and Chapter 69I-5, Rules of the Florida Department of Financial Services. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for awards and financial assistance recorded in governmental funds and the accrual basis of accounting for awards and financial assistance recorded in the proprietary funds, which are described in Note 1 to the County's basic financial statements. Such expenditures are recognized following, as applicable, either the cost principles in Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services wherein certain types of expenditures are not allowable or are limited as to reimbursement, with the exception of Assistance Listing Number 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

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

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

NOTE 3 CONTINGENCIES

Grant monies received and disbursed by the County are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the County does not believe that such disallowances, if any, would have a material effect on the financial position of the County. As of May 25, 2022, there were no material questioned or disallowed costs as a result of grant audits in process or completed.



**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**

Board of County Commissioners
Okeechobee 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 Okeechobee County, Florida (County), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 25, 2022.

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.

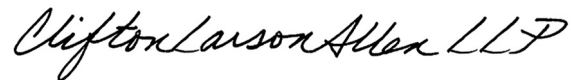
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

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 County’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 County’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Sebring, Florida
May 25, 2022



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

Board of County Commissioners
Okeechobee County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Okeechobee County, Florida's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the requirements described in the Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2021. 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.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal awards and state projects applicable to its federal programs and state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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. Those standards, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a significant deficiency.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Board of County Commissioners
Okeechobee County, Florida

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
May 25, 2022

**OKEECHOBEE COUNTY, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS —
 FEDERAL PROGRAMS AND STATE PROJECTS
 YEAR ENDED SEPTEMBER 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:	<u> \$ 750,000 </u>
Auditee qualified as low-risk auditee?	_____ yes <u> X </u> no

**OKEECHOBEE COUNTY, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS —
 FEDERAL PROGRAMS AND STATE PROJECTS (CONTINUED)
 YEAR ENDED SEPTEMBER 30, 2021**

Section I – Summary of Auditors’ Results (Continued)

State Financial Assistance

1. Internal control over state projects:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

2. Type of auditors’ report issued on compliance for state projects: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557, Rules of the Auditor General? _____ yes X no

Identification of Major State Projects

CSFA Number(s)

55.009

Name of State Project

Small County Outreach Program

Dollar threshold used to distinguish between Type A and Type B state projects:

 \$ 750,000

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

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

2021-001 – Reporting

Federal agency: Department of the Treasury

Federal program title: COVID-19 Coronavirus Relief Funds

Assistance Listing Number: 21.019

Pass-Through Agency: Florida Division of Emergency Management

Pass-Through Number: Y2296

Award Period: 03/01/2020 – 12/30/2021

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

Criteria or Specific Requirement: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires compliance with reporting provisions. The County should have internal controls in place to ensure compliance with those provisions. The County's funding agreement with the Florida Division of Emergency Management (FDEM) required submission of quarterly reports and a close-out report. These reports should have included the status and progress of the expenditure of funds, in addition to any other information requested by FDEM. Quarterly reports were due to FDEM no later than 15 days after the end of each quarter of the program year and were to be submitted each quarter until submission of the administrative close-out report.

Condition: The County was unable to provide documentation that reports were submitted for two of the five reports that were selected for testing. The three reports that were tested were related to the CRF subcontract through Florida Housing Finance Corporation.

Questioned Costs: None.

Context: The reports were submitted electronically through a portal maintained by FDEM. Copies of the reports were not available for audit. The sample was a statistically valid sample.

Cause: The County did not retain copies or screen shots of the reports submitted to the portal, and the portal does not have functionality to provide copies of prior submissions.

Effect: If all required reports are not completed in an accurate and timely manner, the grantor could have withheld further payments.

Repeat Finding: No.

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2021-001 – Reporting (Continued)

Recommendation: We recommend retaining copies of reports submitted to document compliance with grant requirements. When reports are submitted electronically, the County should retain screen shots of the information input along with evidence of the date and time of submission.

Views of responsible officials: We concur with your finding. County Administration has directed staff to retain copies of report submittals, by either printing the report or taking screen shots, to prove the report was submitted. In regards to the CARES funding, the Florida Department of Emergency Management dropped the reporting requirement to focus on closing out the program. There was no formal notification given of this change. However, Okeechobee County received a final closeout letter, stating that all requirements of the program had been met.

Section IV – Findings and Questioned Costs – Major State Projects

Our audit did not disclose any matters required to be reported in accordance with Chapter 10.557, Rules of the Auditor General.



MANAGEMENT LETTER

Honorable Board of County Commissioners
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of Okeechobee County, Florida (County), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated May 25, 2022.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the 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 May 25, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Condition and Management

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

Pursuant to Section 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 the same.

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

Special District Component Units

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

Specific Information (For a dependent special district or an independent special district, or a local government entity that includes the information of a dependent special district)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the County has no dependent special districts or independent special districts on which to report specific information.

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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Honorable Board of County Commissioners
Okeechobee County, Florida

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
May 25, 2022



INDEPENDENT ACCOUNTANTS' REPORT

Honorable Board of County Commissioners
Okeechobee County, Florida

We have examined Okeechobee County, Florida's (the County) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds and Section 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E911 system fund during the year ended September 30, 2021. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the County complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds and Section 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E911 system fund during the year ended September 30, 2021.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
May 25, 2022



**OKEECHOBEE COUNTY CLERK OF
THE CIRCUIT COURT**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2021



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**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
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INDEPENDENT AUDITORS' REPORT

The Honorable Jerald D. Bryant
Okeechobee County Clerk of the Circuit Court
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Okeechobee County Clerk of the Circuit Court, Okeechobee County, Florida (the Clerk) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Clerk as of September 30, 2021, and the respective changes in financial position and budgetary comparisons for the General Fund and Court Related Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements 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 accompanying financial statements are intended to present the financial position and changes in financial position of each major fund and the aggregate remaining fund information, only for that portion of the major funds and the aggregate remaining fund information, of Okeechobee County that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Okeechobee County as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

During fiscal year ended September 30, 2021, the Clerk adopted GASB Statement No. 84, *Fiduciary Activities*. As a result of the implementation of this standard, the Clerk reported a restatement for the change in accounting principle (See Note 11). Our auditors' opinion was not modified with respect to the restatement.

Other Matters

Required Supplementary Information

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

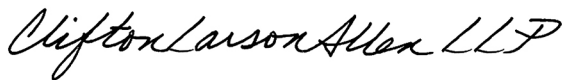
Supplementary Information

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

The Honorable Jerald D. Bryant
Okeechobee County Clerk of the Circuit Court

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2022 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

Sebring, Florida
January 24, 2022

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General	PRMT	Court Related	Total Governmental Funds
ASSETS				
Cash	\$ 405,312	\$ 840,886	\$ 423,402	\$ 1,669,600
Accounts Receivable	129	-	-	129
Due from Other Governments	2,922	-	68,776	71,698
Prepaid Items	45,271	-	8,780	54,051
Total Assets	\$ 453,634	\$ 840,886	\$ 500,958	\$ 1,795,478
 LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 76,637	\$ -	\$ 31,446	\$ 108,083
Due to Board of County Commissioners	373,003	-	-	373,003
Due to Other Governmental Units	-	-	251,263	251,263
Deposits	3,994	-	218,249	222,243
Total Liabilities	453,634	-	500,958	954,592
 FUND BALANCES				
Nonspendable	45,271	-	8,780	54,051
Restricted	-	840,886	-	840,886
Unassigned	(45,271)	-	(8,780)	(54,051)
Total Fund Balances	-	840,886	-	840,886
Total Liabilities and Fund Balances	\$ 453,634	\$ 840,886	\$ 500,958	\$ 1,795,478

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	General	PRMT	Court Related	Total Governmental Funds
REVENUES				
Appropriations from Board of County Commissioners	\$ 1,838,482	\$ -	\$ -	\$ 1,838,482
Intergovernmental	-	-	686,880	686,880
Charges for Services	282,061	101,993	467,493	851,547
Fines and Forfeitures	-	-	419,127	419,127
Interest	15,898	676	267	16,841
Miscellaneous	1,606	-	-	1,606
Total Revenues	<u>2,138,047</u>	<u>102,669</u>	<u>1,573,767</u>	<u>3,814,483</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	1,486,594	-	1,267,820	2,754,414
Operating Expenditures	231,494	-	62,287	293,781
Capital Outlay	45,818	-	-	45,818
Total Expenditures	<u>1,763,906</u>	<u>-</u>	<u>1,330,107</u>	<u>3,094,013</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	374,141	102,669	243,660	720,470
OTHER FINANCING (USES)				
Distribution of Excess Revenues:				
Board of County Commissioners	(374,141)	-	-	(374,141)
State of Florida	-	-	(243,660)	(243,660)
Total Other Financing (Uses)	<u>(374,141)</u>	<u>-</u>	<u>(243,660)</u>	<u>(617,801)</u>
NET CHANGE IN FUND BALANCES	-	102,669	-	102,669
Fund Balances - Beginning of Year	-	738,217	-	738,217
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 840,886</u>	<u>\$ -</u>	<u>\$ 840,886</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Appropriations from Board of County Commissioners	\$ 1,838,482	\$ 1,838,482	\$ 1,838,482	\$ -
Charges for Services	234,511	234,511	282,061	47,550
Interest	15,489	15,489	15,898	409
Miscellaneous	-	-	1,606	1,606
Total Revenues	<u>2,088,482</u>	<u>2,088,482</u>	<u>2,138,047</u>	<u>49,565</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	1,565,298	1,542,598	1,486,594	56,004
Operating Expenditures	335,882	358,582	231,494	127,088
Capital Outlay	75,000	75,000	45,818	29,182
Total Expenditures	<u>1,976,180</u>	<u>1,976,180</u>	<u>1,763,906</u>	<u>212,274</u>
EXCESS OF REVENUES OVER EXPENDITURES	112,302	112,302	374,141	261,839
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	<u>(112,302)</u>	<u>(112,302)</u>	<u>(374,141)</u>	<u>(261,839)</u>
Total Other Financing Uses	<u>(112,302)</u>	<u>(112,302)</u>	<u>(374,141)</u>	<u>(261,839)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
COURT RELATED FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 632,791	\$ 688,854	\$ 686,880	\$ (1,974)
Charges for Services	405,946	405,946	467,493	61,547
Fines and Forfeitures	357,526	357,526	419,127	61,601
Interest	9,674	9,674	267	(9,407)
Total Revenues	<u>1,405,937</u>	<u>1,462,000</u>	<u>1,573,767</u>	<u>111,767</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	1,412,637	1,465,435	1,267,820	197,615
Operating Expenditures	105,602	108,867	62,287	46,580
Total Expenditures	<u>1,518,239</u>	<u>1,574,302</u>	<u>1,330,107</u>	<u>244,195</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(112,302)	(112,302)	243,660	355,962
OTHER FINANCING SOURCES (USES)				
Distribution of Excess Revenues:				
State of Florida	-	-	(243,660)	(243,660)
Transfers In	112,302	112,302	-	(112,302)
Total Other Financing Sources (Uses)	<u>112,302</u>	<u>112,302</u>	<u>(243,660)</u>	<u>(355,962)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Custodial Funds
ASSETS	
Cash	\$ 1,326,211
Due from Others	3
Total Assets	1,326,214
LIABILITIES	
Due to Individuals	1,815
Due to Other Governments	229,709
Total Liabilities	231,524
FIDUCIARY NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	\$ 1,094,690

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	<u>Custodial Funds</u>
ADDITIONS	
Fees/Fines Collected for Other Governments	\$ 655,433
Registry and Other Deposits Collected	<u>8,140,544</u>
Total Additions	<u>8,795,977</u>
DEDUCTIONS	
Fees/Fines Disbursed to Other Governments	655,433
Registry and Other Deposits Disbursed	<u>7,454,043</u>
Total Deductions	<u>8,109,476</u>
Change in Fiduciary Net Position	686,501
Fiduciary Net Position - Beginning of Year (Restated, See Note 11)	<u>408,189</u>
Fiduciary Net Position - Ending of Year	<u><u>\$ 1,094,690</u></u>

See accompanying Notes to Financial Statements.

OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting principles and policies used in the preparation of the financial statements of the Okeechobee County Clerk of the Circuit Court (the Clerk).

Reporting Entity

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

The Clerk is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Clerk is part of the primary government of the County. The Clerk is responsible for the administration and operation of the Clerk's office. The Clerk's financial statements include only the funds of the Clerk's office. There are no separate legal entities (component units) for which the Clerk is financially accountable.

The Clerk funds court related functions from fees, service charges, costs, and fines collected and retained according to Section 28.36, Florida Statutes. Excess fees are remitted per Section 28.37, Florida Statutes.

As Clerk to the Board, the Clerk is funded as a budget officer pursuant to Florida Statutes Chapters 218 and 129, respectively. As a budget officer, the operations as Clerk to the Board are approved and funded by the Board. The budgeted receipts from the Board are recorded as revenue on the Clerk's financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures as Clerk to the Board are remitted to the Board at year-end.

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 Clerk to only present fund financial statements. These financial statements present only the portion of the funds of Okeechobee County, Florida that are attributable to the Clerk. They are not intended to present fairly the financial position and results of operations of Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America.

Fund Accounting

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

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

The purposes of the Clerk's funds are as follows:

Governmental Funds

General Fund – The General Fund is the general operating fund of the Clerk. It is used to account for general revenues and other receipts that are not required to be accounted for in another fund.

PRMT Fund – The Public Records Modernization Trust Fund (PRMT) is a special revenue fund used to account for the revenues and expenditures pursuant to Section 28.24, Florida Statutes for records modernization and court related technology.

Court Related Fund – The Court Related Fund is a special revenue fund used to account for the revenues and expenditures pursuant to Sections 28.35 and 28.37, Florida Statutes for court related functions.

Fiduciary Fund Type

Custodial Funds – Custodial Funds are used to account for assets held by a government in a fiduciary capacity for individuals, private organizations, or other governments.

Measurement Focus

Governmental Fund Type – Governmental funds are accounted for using a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. The reported unassigned fund balance (net current assets) is considered a measure of "available, spendable, or appropriable resources." Governmental fund type operating statements present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The custodial funds use the economic resources measurement focus.

Basis of Accounting

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

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenue is recognized when it becomes measurable and available as net current assets. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Clerk considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Custodial funds are accounted for using the accrual basis of accounting. Under the accrual method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Budgetary Requirements

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted for the General Fund and the Court Related Fund. Budget to actual comparisons are provided in the financial statements for the General Fund and the Court Related Fund, where the Clerk has legally adopted an annual budget. The Clerk is not legally required to adopt a budget for the PRMT Fund. Therefore, budget comparison information is not included in the Clerk's financial statements. Final budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual (GAAP) basis of accounting. The Clerk's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are equally offset by a fund balance categorized as nonspendable, which indicates that this portion of the fund balance is not in a spendable form or is required to be remain intact. An expenditure is reported in the year in which services are consumed.

Capital Assets

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

Capital assets are defined by the Clerk as assets with an initial, individual cost of \$1,000 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

It is the Clerk's policy to grant permanent full-time employees vacation and sick leave. Employees are fully vested after 90 days for vacation leave and one year for sick leave. For all full-time employees hired prior to January 15, 1996, the maximum vacation and sick leave to be reimbursed upon termination will be 240 hours, unless the employee has 25 years of service with the County. An employee with 25 years of service or more will be reimbursed for all accrued and unused vacation and sick leave. For all full-time employees hired after January 15, 1996, the maximum vacation to be reimbursed upon termination will be 240 hours; the maximum sick leave to be reimbursed will also be 240 hours.

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

Use of Estimates

The preparation of the financial statements is in conformity with accounting principles generally accepted in the United States of America, as applicable to government entities, and requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Clerk participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, are reported in the financial statements of the County.

NOTE 2 CASH

At September 30, 2021, the Clerk's total bank balance was \$2,968,078. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 2 CASH (CONTINUED)

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

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

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

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

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

Demand Deposits	\$ 2,993,561
Petty Cash and Change Funds	2,250
Total	<u>\$ 2,995,811</u>
Balance Sheet:	
Cash	\$ 1,669,600
Statement of Fiduciary Net Position:	
Cash	1,326,211
Total Cash	<u>\$ 2,995,811</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 CAPITAL ASSETS

The Clerk's capital assets include machinery and equipment and software. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2021:

<u>Governmental Activities</u>	Balance October 1, 2020	Increases	(Decreases)	Balance September 30, 2021
Capital Assets, Not Being Depreciated/Amortized:				
Software in Progress	\$ 86,061	\$ 74,263	\$ (160,324)	\$ -
Capital Assets, Being Depreciated/Amortized:				
Machinery and Equipment	842,635	27,318	(31,157)	838,796
Computer Software	429,182	160,324	-	589,506
Total Capital Assets Being Depreciated/Amortized	1,271,817	187,642	(31,157)	1,428,302
Less: Accumulated Depreciation/ Amortization for:				
Machinery and Equipment	(693,443)	(64,854)	29,826	(728,471)
Computer Software	(420,671)	(7,857)	-	(428,528)
Total Accumulated Depreciation/Amortization	(1,114,114)	(72,711)	29,826	(1,156,999)
Total Capital Assets, Being Depreciated/Amortized, net	157,703	114,931	(1,331)	271,303
Total Capital Assets, Net	<u>\$ 243,764</u>	<u>\$ 189,194</u>	<u>\$ (161,655)</u>	<u>\$ 271,303</u>

NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2021, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Committed – amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)

Assigned – amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

Unassigned – amounts that are available for any purpose; these amounts can be reported only in the Clerk’s General Fund. Unassigned fund balance may also include a negative balance for any governmental fund if expenditures exceed the amount restricted, committed, or assigned for those purposes.

The Clerk has adopted a fund balance policy. Funds are committed through a written memorandum of the Clerk. 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, as needed, unless the Clerk has provided otherwise in its commitment or assignment actions.

A detailed schedule of fund balances at September 30, 2021 is as follows:

	General Fund	PRMT	Court Related	Total Governmental Funds
Nonspendable:				
Prepaid Items	\$ 45,271	\$ -	\$ 8,780	\$ 54,051
Restricted for:				
Records Modernization/ Court-Related Technology	-	840,886	-	840,886
Unassigned Fund Balance	(45,271)	-	(8,780)	(54,051)
Total Fund Balances	<u>\$ -</u>	<u>\$ 840,886</u>	<u>\$ -</u>	<u>\$ 840,886</u>

NOTE 5 PERSONNEL COMMITMENTS

Accrued compensated absences represent the vested portion of accrued annual leave. See Note 1 for a summary of Clerk’s compensated absences policy.

The following is a summary of the changes in long-term obligations of the Clerk for the year ended September 30, 2021:

	Balance October 1, 2020	Additions	Deductions	Balance September 30, 2021
Compensated Absences	<u>\$ 245,247</u>	<u>\$ 292,925</u>	<u>\$ (307,511)</u>	<u>\$ 230,661</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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 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. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

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.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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

Benefits Provided

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

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.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. 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.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2021, 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, 2021, 2020, and 2019 were \$213,362, 175,235, and \$159,013, respectively, equal to the actuarially determined contribution requirements for each year.

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

NOTE 7 DEFERRED COMPENSATION PLAN

The Clerk offers to its employees a deferred compensation plan crated in accordance with the Internal Revenue Code Section 457. The plan, available to all Clerk employees, permits participants to defer a portion of their current salary until future years. Participation in the plan is optional. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. The plan assets are held in trust for benefit of the employee and, therefore, are not reflected on the financial statements of the Clerk.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8 RELATED PARTY TRANSACTIONS

Transactions with the Okeechobee County Board of County Commissioners for the year ended September 30, 2021 were as follows:

Budget Appropriation

The General Fund of the Clerk received payments from the Board of County Commissioners for noncourt related and accounting services in the amount of \$1,838,482. Excess revenues and other amounts payable to the Board at September 30, 2021 were \$373,003. Distribution of excess revenues to the Board was \$374,141 for the year ended September 30, 2021.

NOTE 9 RISK MANAGEMENT

The Clerk is exposed to various risks of loss related to: torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. There has been no significant reduction in the insurance coverage from the prior year. Insurance for the Clerk relating to property, general liability, and workers' compensation is included in the policies maintained by the Board.

Insurance for the Clerk related to commercial insurance coverage to insure employees for health and life insurance costs is included in the policies maintained by the Board. The Clerk does not retain any risk of loss under these policies.

There were no settled claims that have exceeded insurance coverage for each of the past three years.

NOTE 10 COMMITMENTS AND CONTINGENCIES

The Clerk is currently receiving, and has received in the past, a grant which is subject to special compliance audits by the grantor agency and which may result in disallowed expenditure amounts. These amounts, if any, constitute a contingent liability of the Clerk. Accordingly, such liabilities are not reflected within the financial statements. Management does not believe the effects of contingent liabilities, if any, will be material to the financial statements.

The Clerk is named as a defendant in several lawsuits due to holding a subordinate lien or judgment and, in some cases, due to the fact the Clerk is the statutory collection point for support and restitution payments in favor of others. Although the outcome of these lawsuits is not presently determinable, in the opinion of legal counsel for the Clerk, the resolution of these matters will not have a materially adverse effect on the financial condition of the Clerk.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2021**

NOTE 11 CHANGE IN ACCOUNTING PRINCIPLE

During the year ended September 30, 2021, the Clerk adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. The implementation of this statement has resulted in changing the presentation of the financial statements by establishing requirements for reporting net position in custodial funds. Beginning net position has been restated to reflect this change where necessary.

	Custodial Funds
Fiduciary Net Position - Beginning of Year, as Previously Reported	\$ -
Change in Accounting Principle	408,189
Fiduciary Net Position - Beginning of Year, as Restated	\$ 408,189

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS – ALL CUSTODIAL FUNDS
 SEPTEMBER 30, 2021**

	Custodial Funds								Total Custodial Funds	
	Tax Deed	Documentary Stamps	Intangible Taxes	Cash Bond	Registry of the Court	Escrow	Child Support	Fines and Costs		Restitution
ASSETS										
Cash	\$ 320,318	\$ 123,014	\$ 25,585	\$ 156,600	\$ 274,747	\$ 343,025	\$ 565	\$ 80,560	\$ 1,797	\$ 1,326,211
Due from Others	-	-	-	-	-	-	3	-	-	3
Total Assets	<u>320,318</u>	<u>123,014</u>	<u>25,585</u>	<u>156,600</u>	<u>274,747</u>	<u>343,025</u>	<u>568</u>	<u>80,560</u>	<u>1,797</u>	<u>1,326,214</u>
LIABILITIES										
Due to Individuals	-	-	-	-	-	-	18	-	1,797	1,815
Due to Other Governments	-	123,014	25,585	-	-	-	550	80,560	-	229,709
Total Liabilities	<u>-</u>	<u>123,014</u>	<u>25,585</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>568</u>	<u>80,560</u>	<u>1,797</u>	<u>231,524</u>
FIDUCIARY NET POSITION										
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 320,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,600</u>	<u>\$ 274,747</u>	<u>\$ 343,025</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,094,690</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS – ALL CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	Custodial Funds								Total Custodial Funds	
	Tax Deed	Documentary Stamps	Intangible Taxes	Cash Bond	Registry of the Court	Escrow	Child Support	Fines and Costs		Restitution
ADDITIONS										
Fees/Fines Collected For Other Governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 655,433	\$ -	\$ 655,433
Registry and Other Deposits Collected	918,813	4,446,100	542,957	241,942	1,114,489	400,315	470,088	-	5,840	8,140,544
Total Additions	918,813	4,446,100	542,957	241,942	1,114,489	400,315	470,088	655,433	5,840	8,795,977
DEDUCTIONS										
Fees/Fines Disbursed to Other Governments	-	-	-	-	-	-	-	655,433	-	655,433
Registry and Other Deposits Disbursed	614,880	4,446,100	542,957	149,742	1,069,672	154,764	470,088	-	5,840	7,454,043
Total Deductions	614,880	4,446,100	542,957	149,742	1,069,672	154,764	470,088	655,433	5,840	8,109,476
Change in Fiduciary Net Position	303,933	-	-	92,200	44,817	245,551	-	-	-	686,501
Fiduciary Net Position - Beginning of Year (Restated, See Note 11)	16,385	-	-	64,400	229,930	97,474	-	-	-	408,189
Fiduciary Net Position - End of Year	<u>\$ 320,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,600</u>	<u>\$ 274,747</u>	<u>\$ 343,025</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,094,690</u>



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

The Honorable Jerald D. Bryant
Okeechobee County Clerk of the Circuit Court
Okeechobee 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 Okeechobee County Clerk of the Circuit Court, Okeechobee County, Florida (the Clerk), as of and for the year ended September 30, 2021, 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 24, 2022.

Internal Control Over Financial Reporting

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

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

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

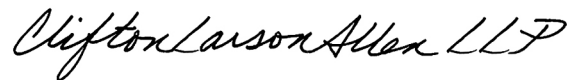
The Honorable Jerald D. Bryant
Okeechobee County Clerk of the Circuit Court

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 Clerk’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 Clerk’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Sebring, Florida
January 24, 2022



MANAGEMENT LETTER

The Honorable Jerald D. Bryant
Okeechobee County Clerk of the Circuit Court
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Clerk of the Circuit Court, Okeechobee County, Florida (the Clerk), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated January 24, 2022.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 24, 2022, 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.

The Honorable Jerald D. Bryant
Okeechobee County Clerk of the Circuit Court

Financial Management

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

Additional Matters

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

Purpose of this Letter

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



CliftonLarsonAllen LLP

Sebring, Florida
January 24, 2022



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Jerald D. Bryant,
Okeechobee County Clerk of the Circuit Court,
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Clerk of the Circuit Court, Okeechobee County, Florida'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, 2021. 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.

Our examination does not provide a legal determination on the Clerk's compliance with the 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, 2021.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 24, 2022

OKEECHOBEE COUNTY PROPERTY APPRAISER

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2021



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**OKEECHOBEE COUNTY PROPERTY APPRAISER
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INDEPENDENT AUDITORS' REPORT

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the Okeechobee County Property Appraiser, Okeechobee County, Florida (Property Appraiser), as of and for the year ended September 30, 2021, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2021, and the respective changes in financial position and the budgetary comparison of the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements 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 accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds of Okeechobee County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Okeechobee County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2021, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
November 17, 2021

**OKEECHOBEE COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

ASSETS	General	Coquina	Total
Cash	\$ 129,773	\$ 49,291	\$ 179,064
Accounts Receivable	22	-	22
 Total Assets	\$ 129,795	\$ 49,291	\$ 179,086
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 4,796	\$ 1,255	\$ 6,051
Due to Board of County Commissioners	120,062	-	120,062
Due to Other Governments	4,937	392	5,329
Total Liabilities	129,795	1,647	131,442
 FUND BALANCES			
Committed	-	47,644	47,644
 Total Liabilities and Fund Balances	\$ 129,795	\$ 49,291	\$ 179,086

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	General	Coquina	Total
REVENUES			
Intergovernmental:			
Appropriations from Board of County Commissioners	\$ 1,427,156	\$ -	\$ 1,427,156
South Florida Water Management District	19,465	-	19,465
St. Johns River Water Management District	5,646	-	5,646
Children's Services Council	33,580	-	33,580
Coquina Water Control District	-	9,678	9,678
Interest	239	49	288
Miscellaneous	1,367	-	1,367
Total Revenues	1,487,453	9,727	1,497,180
EXPENDITURES			
Current:			
General Government:			
Salaries and Benefits	951,838	-	951,838
Operating Expenditures	327,008	1,862	328,870
Capital Outlay	83,608	6,099	89,707
Total Expenditures	1,362,454	7,961	1,370,415
EXCESS OF REVENUES OVER EXPENDITURES	124,999	1,766	126,765
OTHER FINANCING USES			
Distribution of Excess Revenues:			
Board of County Commissioners	(120,062)	-	(120,062)
Other Governments	(4,937)	-	(4,937)
Total Other Financing Uses	(124,999)	-	(124,999)
NET CHANGE IN FUND BALANCE	-	1,766	1,766
Fund Balances - Beginning of Year	-	45,878	45,878
FUND BALANCES - END OF YEAR	\$ -	\$ 47,644	\$ 47,644

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Appropriations from Board of County Commissioners	\$ 1,409,733	\$ 1,427,156	\$ 1,427,156	\$ -
South Florida Water Management District	19,227	19,465	19,465	-
St. Johns River Water Management District	5,577	5,646	5,646	-
Children's Services Council	33,170	33,580	33,580	-
Interest	-	-	239	239
Miscellaneous	-	-	1,367	1,367
Total Revenues	<u>1,467,707</u>	<u>1,485,847</u>	<u>1,487,453</u>	<u>1,606</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	951,025	969,165	951,838	17,327
Operating Expenditures	431,736	431,736	327,008	104,728
Capital Outlay	84,946	84,946	83,608	1,338
Total Expenditures	<u>1,467,707</u>	<u>1,485,847</u>	<u>1,362,454</u>	<u>123,393</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	124,999	124,999
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(120,062)	(120,062)
Other Governments	-	-	(4,937)	(4,937)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(124,999)</u>	<u>(124,999)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of the financial statements of the Okeechobee County Property Appraiser (Property Appraiser).

Reporting Entity

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

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

The operations of the Property Appraiser are funded by the Board, the South Florida Water Management District, St. Johns River Water Management District, and the Children's Services Council of Okeechobee County. The balance of revenues in excess of expenditures remaining at September 30 are divided among the various taxing governmental units in the same proportion as that particular unit's payments to the Property Appraiser during the year relates to the total payments from all taxing governmental units.

Revenues are collected from commissions earned on the drainage taxes assessed for the Coquina Water Control District pursuant to Florida Statute 298.401.

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 Okeechobee County, Florida that are attributable to the Property Appraiser. They are not intended to present fairly the financial position and results of operations of Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

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

Governmental Funds

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

Coquina Fund – The Coquina Fund is a special revenue fund, used to account for the revenues received from the Coquina District. The revenues are committed for specific purposes by the Property Appraiser.

Measurement Focus

Governmental funds are accounted for using a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. The reported unassigned fund balance (net current assets) is considered a measure of "available, spendable, or appropriable resources". Governmental fund type operating statements present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Basis of Accounting

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

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenue is recognized when it becomes measurable and available as net current assets. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Property Appraiser considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Requirements

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is approved by the Florida Department of Revenue for the General Fund. A budget to actual comparison is provided in the financial statements for the General Fund where the Property Appraiser has legally adopted an annual budget. The Property Appraiser is not legally required to adopt a budget for the Coquina Fund. Therefore, budget comparison information is not included in the Property Appraiser's financial statements. Final budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual (GAAP) basis of accounting. The Property Appraiser's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Capital Assets

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

Capital assets are defined by the Property Appraiser as assets with an initial, individual cost of \$1,000 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accrued Compensated Absences

It is the Property Appraiser's policy to allow employees to accumulate vacation and sick leave. Employees with more than one year of service with the County are vested and will be paid for up to 480 hours of earned, unused, sick, and vacation time upon proper termination. Employees vested with 25 years of service will receive compensation for all accumulated, unused, sick, and vacation time upon proper termination. Employees who have entered the DROP program of the Florida Retirement System or who have reached 25 years of service with the Property Appraiser's Office may request to be paid for time they have in accrual once a year.

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

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Property Appraiser participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, are reported in the financial statements of the County.

NOTE 2 CASH

At September 30, 2021, the carrying amount of the Property Appraiser's deposits was \$179,064 and bank balance was \$209,472, consisting entirely of demand deposits. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

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

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

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

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 2 CASH (CONTINUED)

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

NOTE 3 CAPITAL ASSETS

The Property Appraiser's capital assets include machinery and equipment. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2021:

	Balance October 1, 2020	Increases	Decreases	Balance September 30, 2021
Government Activities:				
Capital Assets, Not Being Depreciated:				
Software in Progress	\$ 181,513	\$ 81,512	\$ (263,025)	\$ -
Capital Assets, Being Depreciated:				
Machinery and Equipment	319,943	1,447	-	321,390
Computer Software	-	263,025	-	263,025
Less: Accumulated Depreciation:				
Machinery and Equipment	(205,806)	(22,250)	-	(228,056)
Computer Software	-	(21,920)	-	(21,920)
Total Capital Assets, Being Depreciated, Net	<u>114,137</u>	<u>220,302</u>	<u>-</u>	<u>334,439</u>
Governmental Activities Capital Assets, Net	<u>\$ 295,650</u>	<u>\$ 301,814</u>	<u>\$ (263,025)</u>	<u>\$ 334,439</u>

NOTE 4 FUND BALANCES – GOVERNMENT FUNDS

As of September 30, 2021, fund balances of the governmental funds are classified as follows:

Nonspendable – Amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 FUND BALANCES – GOVERNMENT FUNDS (CONTINUED)

Committed – Amounts that can be spent only for specific purposes determined by a formal action of the government’s highest level of decision-making authority.

Assigned – Amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

Unassigned – Amounts that are available for any purpose; these amounts can be reported only in the Property Appraiser’s General Fund. Unassigned fund balance may also include a negative balance for any governmental fund if expenditures exceed the amount restricted, committed, or assigned for those purposes.

The Property Appraiser has adopted a Fund Balance policy. Funds are committed through an office memo signed by the Property Appraiser. As of September 30, 2021, fund balances of the Coquina Fund are composed of committed amounts for personal services in the form of salary, FICA, and retirement as related to the Coquina District; operating expenses in the form of travel and office supplies; and capital outlay for office equipment and vehicles.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Property Appraiser considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Property Appraiser considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Property Appraiser has provided otherwise in its commitment or assignment actions.

NOTE 5 PERSONNEL COMMITMENTS

Accrued compensated absences represent the vested portion of accrued annual leave. See Note 1 for a summary of the Property Appraiser’s compensated absences policy.

The following is a summary of the changes in long-term obligations of the Property Appraiser for the year ended September 30, 2021:

	Balance October 1, 2020	Additions	Deductions	Balance September 30, 2021
Compensated Absences	\$ 66,011	\$ 57,011	\$ (52,873)	\$ 70,149

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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

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

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.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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

Benefits Provided

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

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.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

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

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

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

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Property Appraiser.

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

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Property Appraiser's contributions made to the plans during the years ended September 30, 2021, 2020, and 2019 were \$116,285, \$104,606, and \$96,697, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the Countywide financial statements.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Board for the year ended September 30, 2021 were as follows:

Appropriations – The General Fund of the Property Appraiser received revenue from the Board in the amount of \$1,427,156 for the year ended September 30, 2021. Amounts due to the Board were \$120,062 at September 30, 2021.

NOTE 8 RISK MANAGEMENT

The Property Appraiser is exposed to various risks of loss related to: torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. There has been no significant reduction in the insurance coverage from the prior year. Insurance for the Property Appraiser relating to property, general liability, and workers' compensation is included in the policies maintained by the Board.

The Property Appraiser carries commercial insurance coverage to insure employees for health and life insurance costs. The Property Appraiser does not retain any risk of loss under these policies.

There were no settled claims that have exceeded insurance coverage for each of the past three years.

NOTE 9 COMMITMENTS AND CONTINGENCIES

The Property Appraiser is named as a defendant in several lawsuits concerning assessment and collection of prior years' ad valorem taxes on real and personal property located in Okeechobee County, Florida, as of September 30, 2021. The outcome of these matters turns upon disputed questions of property classifications and tax values. As of September 30, 2021, based on management's opinion, it does not appear the Property Appraiser's assets will be affected and, consequently, no provision has been made in any of the funds for any liability that might arise from these claims.



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

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser
Okeechobee 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 of the Okeechobee County Property Appraiser, Okeechobee County, Florida (Property Appraiser), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated November 17, 2021.

Internal Control Over Financial Reporting

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

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

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

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Sebring, Florida
November 17, 2021



MANAGEMENT LETTER

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Property Appraiser, Okeechobee County, Florida (Property Appraiser), as of and for the fiscal year ended September 30, 2021 and have issued our report thereon dated November 17, 2021.

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 November 17, 2021, 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.

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Sebring, Florida
November 17, 2021



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Property Appraiser, Okeechobee County, Florida (Property Appraiser)'s compliance with Section 218.415, Florida Statutes, regarding the investment of public funds, during the year ended September 30, 2021. Management of the Property Appraiser is responsible for the Property Appraiser's compliance with the specified requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Property Appraiser complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Property Appraiser complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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, 2021.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
November 17, 2021



OKEECHOBEE COUNTY SHERIFF

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2021



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**OKEECHOBEE COUNTY SHERIFF
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YEAR ENDED SEPTEMBER 30, 2021**

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INDEPENDENT AUDITORS' REPORT

The Honorable Noel E. Stephen
Okeechobee County Sheriff
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Okeechobee County Sheriff, Okeechobee County, Florida (Sheriff), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

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, 2021, and the respective changes in financial position and budgetary comparison for the General Fund and Inmate Welfare Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements 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 accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Okeechobee County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Okeechobee County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

During fiscal year ended September 30, 2021, the Sheriff adopted GASB Statement No. 84, *Fiduciary Activities*. As a result of the implementation of this standard, the Sheriff reported a restatement for the change in accounting principle (see Note 12). Our auditors' opinion was not modified with respect to the restatement.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

The Honorable Noel E. Stephen
Okeechobee County Sheriff

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2022, 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

Sebring, Florida
May 2, 2022

**OKEECHOBEE COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General Fund	Inmate Welfare	Total Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 868,427	\$ 501,005	\$ 91,189	\$ 1,460,621
Accounts Receivable	79,251	48,039	-	127,290
Due from Other Funds	-	-	20,000	20,000
Prepaid Items	13,069	-	-	13,069
	<u>960,747</u>	<u>549,044</u>	<u>111,189</u>	<u>1,620,980</u>
Total Assets	<u>\$ 960,747</u>	<u>\$ 549,044</u>	<u>\$ 111,189</u>	<u>\$ 1,620,980</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 738,973	\$ 17,060	\$ -	\$ 756,033
Due to Board of County Commissioners	221,774	-	-	221,774
Due to Other Funds	-	20,000	-	20,000
Total Liabilities	<u>960,747</u>	<u>37,060</u>	<u>-</u>	<u>997,807</u>
FUND BALANCES				
Nonspendable	13,069	-	-	13,069
Restricted	-	511,984	111,189	623,173
Unassigned	(13,069)	-	-	(13,069)
Total Fund Balances	<u>-</u>	<u>511,984</u>	<u>111,189</u>	<u>623,173</u>
Total Liabilities and Fund Balances	<u>\$ 960,747</u>	<u>\$ 549,044</u>	<u>\$ 111,189</u>	<u>\$ 1,620,980</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	General Fund	Inmate Welfare	Total Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Appropriations from Board of County Commissioners	\$ 19,717,906	\$ -	\$ -	\$ 19,717,906
Intergovernmental	86,445	-	-	86,445
Charges for Services - Senior Meals	98,372	-	-	98,372
Charges for Services	52,254	508,916	219,918	781,088
Investment Earnings	1,514	245	54	1,813
Miscellaneous	26,582	136	39,949	66,667
Total Revenues	<u>19,983,073</u>	<u>509,297</u>	<u>259,921</u>	<u>20,752,291</u>
EXPENDITURES				
Current:				
Public Safety:				
Salaries and Benefits	15,208,650	127,657	219,177	15,555,484
Operating Expenditures	3,863,251	194,175	30,177	4,087,603
Capital Outlay	557,488	25,412	-	582,900
Debt Service:				
Principal Retirement	297,976	-	-	297,976
Interest and Fiscal Charges	21,978	-	-	21,978
Total Expenditures	<u>19,949,343</u>	<u>347,244</u>	<u>249,354</u>	<u>20,545,941</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	33,730	162,053	10,567	206,350
OTHER FINANCING SOURCES AND (USES)				
Insurance Recoveries	17,373	-	-	17,373
Distribution of Excess Revenues:				
Board of County Commissioners	(51,103)	-	-	(51,103)
Total Other Financing Sources (Uses)	<u>(33,730)</u>	<u>-</u>	<u>-</u>	<u>(33,730)</u>
NET CHANGE IN FUND BALANCES	-	162,053	10,567	172,620
Fund Balances - Beginning of Year	-	349,931	83,548	433,479
Change in Accounting Principle (See Note 12)	-	-	17,074	17,074
Fund Balance – Beginning of Year, as Restated	-	349,931	100,622	450,553
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 511,984</u>	<u>\$ 111,189</u>	<u>\$ 623,173</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Appropriation from Board of County Commissioners	\$ 19,492,761	\$ 19,717,906	\$ 19,717,906	\$ -
Intergovernmental	-	86,445	86,445	-
Charges for Services - Senior Meals	-	98,372	98,372	-
Charges for Services	-	52,254	52,254	-
Investment Earnings	-	1,514	1,514	-
Miscellaneous	-	26,582	26,582	-
Total Revenues	<u>19,492,761</u>	<u>19,983,073</u>	<u>19,983,073</u>	<u>-</u>
EXPENDITURES				
Current:				
Public Safety:				
Salaries and Benefits	15,207,379	15,361,448	15,208,650	152,798
Operating Expenditures	3,877,889	4,053,693	3,863,251	190,442
Capital Outlay	60,000	237,812	557,488	(319,676)
Debt Service:				
Principal Retirement	319,195	319,195	297,976	21,219
Interest and Fiscal Charges	28,298	28,298	21,978	6,320
Total Expenditures	<u>19,492,761</u>	<u>20,000,446</u>	<u>19,949,343</u>	<u>51,103</u>
EXCESS OF REVENUES UNDER EXPENDITURES	-	(17,373)	33,730	51,103
OTHER FINANCING SOURCES AND (USES)				
Insurance Recoveries	-	17,373	17,373	-
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(51,103)	(51,103)
Total Other Financing Sources (Uses)	<u>-</u>	<u>17,373</u>	<u>(33,730)</u>	<u>(51,103)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
INMATE WELFARE FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 346,333	\$ 346,333	\$ 508,916	\$ 162,583
Investment Earnings	-	-	245	245
Miscellaneous	-	-	136	136
Total Revenues	<u>346,333</u>	<u>346,333</u>	<u>509,297</u>	<u>162,964</u>
EXPENDITURES				
Current:				
Public Safety:				
Salaries and Benefits	122,088	122,088	127,657	(5,569)
Operating Expenditures	187,495	187,495	194,175	(6,680)
Capital Outlay	<u>36,750</u>	<u>36,750</u>	<u>25,412</u>	<u>11,338</u>
Total Expenditures	<u>346,333</u>	<u>346,333</u>	<u>347,244</u>	<u>(911)</u>
NET CHANGE IN FUND BALANCE	-	-	162,053	162,053
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>349,931</u>	<u>349,931</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 511,984</u>	<u>\$ 511,984</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Custodial Funds
ASSETS	
Cash and Cash Equivalents	\$ 78,775
Total Assets	78,775
LIABILITIES	
Accounts Payable	1,510
Due to Other Governmental Units	18,051
Due to Others	30,041
Total Liabilities	49,602
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	\$ 29,173

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Custodial Funds
ADDITIONS	
Collections from Individuals	\$ 774,245
Investment Earnings	15
Total Additions	774,260
DEDUCTIONS	
Payments to Other Governments, Entities, or Individuals	770,210
Total Deductions	770,210
CHANGE IN NET POSITION	4,050
Net Position - Beginning of Year (Restated, See Note 12)	25,123
NET POSITION - END OF YEAR	\$ 29,173

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of the financial statements of the Okeechobee County Sheriff, Okeechobee County, Florida (Sheriff).

Reporting Entity

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

The Sheriff is an elected official of the County pursuant to the Constitution of the state of Florida, Article VIII, Section 1(d). The Sheriff is part of the primary government of the County. The Sheriff is responsible for the administration and operation of the Sheriff's office. The Sheriff's financial statements include only the funds of the Sheriff's office. There are no separate legal entities (component units) for which the Sheriff is financially accountable.

The operations of the Sheriff are funded by the Board. The receipts from the Board are recorded as revenue on the Sheriff's financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year-end.

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 Sheriff to only present fund financial statements. These financial statements present only the portion of the funds of Okeechobee County, Florida that are attributable to the Sheriff. They are not intended to present fairly the financial position and results of operations of Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America.

Fund Accounting

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

The purposes of the Sheriff's funds are as follows:

Governmental Funds

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

Inmate Welfare Fund – The Inmate Welfare Fund is a special revenue fund used to account for commissions earned by providing goods and services to the inmates. These resources are restricted by Section 951.23, Florida Statutes, for inmate welfare.

Nonmajor Governmental Fund

Community Donations Fund – The Community Donations Fund is a special revenue fund used to account for donations received by the Sheriff to be used exclusively for animal control services, K-9 unit, and other restricted donations.

Special Duty Detail Fund – The Special Duty Detail Fund is a special revenue fund used to account for special duty detail services provided by Sheriff's Office members, to be used exclusively for payment of members for the services provided and administrative fees.

Fiduciary Funds

Custodial Funds – Custodial Funds are used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or funds.

Major Fund Determination

GASB Statement No. 34 sets forth minimum criteria for the determination of major funds: percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category, or the governmental and enterprise funds combined.

Measurement Focus

Governmental Fund Type – Governmental funds are accounted for using a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. The reported unassigned fund balance (net current assets) is considered a measure of "available, spendable, or appropriable resources." Governmental fund type operating statements present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The custodial funds use the economic resources measurement focus.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

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

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenue is recognized when it becomes measurable and available as net current assets. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Sheriff considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Custodial funds are accounted for using the accrual basis of accounting. Under the accrual method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Budgetary Requirements

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted by the Sheriff for the General Fund and Inmate Welfare Fund. Budgets are prepared on the modified accrual (U.S. GAAP) basis of accounting.

The Sheriff's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

For the year ended September 30, 2021, Inmate Welfare Fund actual expenditures exceeded the final budget by \$911.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Interfund Transactions

Outstanding balances between funds at September 30, 2021 are reported as "due to/from other funds."

Capital Assets

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Capital assets are defined by the Sheriff as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accrued Compensated Absences

It is the Sheriff's policy to allow employees to accumulate annual and sick leave. Employees can accumulate and carry over 240 hours of annual leave and an unlimited amount of sick leave. Annual leave is paid out at separation of service up to 240 hours for those with up to 31 years of service. For those with 31 plus years of services they will be paid out 240 hours plus any annual leave time accrued in the current fiscal year. Sick leave is paid out in varying amounts. Employees with at least one year or more of satisfactory, continuous, and creditable service, who separate in good standing shall be paid their accumulated unused sick leave in varying percentages according to years of service up to 2,000 hours.

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Sheriff participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. Participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, are reported in the financial statements of the County.

NOTE 2 CASH

At September 30, 2021, the Sheriff's total bank balance was \$1,793,177. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 2 CASH (CONTINUED)

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

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

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

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

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

Demand Deposits	<u>\$ 1,539,396</u>
Balance Sheet:	
Cash and Cash Equivalents	\$ 1,460,621
Statement of Fiduciary Net Position:	
Cash and Cash Equivalents	<u>78,775</u>
Total Cash	<u>\$ 1,539,396</u>

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 CHANGES IN CAPITAL ASSETS

The Sheriff's capital assets include machinery and equipment and computer software. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2021:

<u>Governmental Activities</u>	Balance October 1, 2020	Increases	Decreases	Balance September 30, 2021
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 7,759,836	\$ 548,529	\$ (182,641)	\$ 8,125,724
Computer Software	808,890	1,349	-	810,239
Total Capital Assets Being Depreciated/Amortized	8,568,726	549,878	(182,641)	8,935,963
Less Accumulated Depreciation:				
Machinery and Equipment	(5,453,934)	(598,077)	163,213	(5,888,798)
Computer Software	(715,516)	(38,846)	-	(754,362)
Total Accumulated Depreciation/Amortization	(6,169,450)	(636,923)	163,213	(6,643,160)
Total Capital Assets, Net	<u>\$ 2,399,276</u>	<u>\$ (87,045)</u>	<u>\$ (19,428)</u>	<u>\$ 2,292,803</u>

NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2021, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Committed – amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority.

Assigned – amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

Unassigned – amounts that are available for any purpose; these amounts can be reported only in the Sheriff's General Fund. Unassigned fund balance may also include a negative balance for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)

The Sheriff has adopted a fund balance policy. Funds are committed through a standard operating procedure signed by the Sheriff. As of September 30, 2021, fund balances of the Inmate Welfare Fund are composed of restricted amounts for overall inmate welfare according to Section 951.23, Florida Statutes, and fund balances of the Community Donations Fund are comprised donor restricted amounts for animal control services, the K-9 unit, and crime prevention programs.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Sheriff considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Sheriff considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Sheriff has provided otherwise in its commitment or assignment actions.

NOTE 5 PERSONNEL COMMITMENTS

Accrued compensated absences represent the vested portion of accrued annual leave. See Note 1 for a summary of the Sheriff's compensated absences policy.

The following is a summary of the changes in compensated absences of the Sheriff for the year ended September 30, 2021:

<u>Governmental Activities</u>	Balance October 1, 2020	Increases	Decreases	Balance September 30, 2021
Compensated Absences	<u>\$ 1,399,003</u>	<u>\$ 633,124</u>	<u>\$ (656,000)</u>	<u>\$ 1,376,127</u>

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 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 multiemployer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

Background (Continued)

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, multiemployer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

Florida Retirement System Pension 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 County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

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

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation.

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

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

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

Retiree Health Insurance Subsidy Program

Plan Description

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Benefits Provided

For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Sheriff.

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

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Sheriff's contributions made to the plans during the years ended September 30, 2021, 2020, and 2019 were \$1,969,653, \$1,895,361, and \$1,771,907, respectively, equal to the actuarially determined contribution requirements for each year.

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

NOTE 7 DEFERRED COMPENSATION PLAN

The Sheriff offers to its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan, available to all Sheriff's employees, permits participants to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The assets of the plan are not held in the fiduciary responsibility of the Sheriff and are not included in the Sheriff's financial statements.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8 RELATED PARTY TRANSACTIONS

Transactions with the Board for the year ended September 30, 2021 were as follows:

Board Appropriation – The General Fund of the Sheriff received revenues from the Board in the amount of \$19,717,906 for the fiscal year ended September 30, 2021. Excess revenues payable to the Board were \$30,000 at September 30, 2021.

Charges for Services – The General Fund of the Sheriff received revenue from the Board for preparation of the meals for Okeechobee Senior Services totaling \$98,372 for the fiscal year ended September 30, 2021. Payables to the Board for inmate medical, subsistence, and other fees collected by the Sheriff at September 30, 2021 were \$38,669.

NOTE 9 RISK MANAGEMENT

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There are no significant reductions in insurance coverage from the prior year.

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

The Sheriff carries commercial insurance coverage to insure employees for health and life insurance costs. The Sheriff does not retain any risk of loss under these policies.

There were no settled claims that have exceeded insurance coverage for each of the past three years.

NOTE 10 COMMITMENTS AND CONTINGENCIES

The Sheriff is currently receiving, and has received in the past, grants which are subject to special compliance audits by the grantor agency and which may result in disallowed expenditure amounts. These amounts, if any, constitute a contingent liability of the Sheriff. Accordingly, such liabilities are not reflected within the financial statements. Management does not believe the effects of contingent liabilities, if any, will be material to the financial statements.

The Sheriff is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of legal counsel for the Sheriff, the resolution of these matters will not have a materially adverse effect on the financial condition of the Sheriff.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 11 CAPITAL LEASES

The Sheriff has entered into several lease agreements as lessee for financing the acquisition of vehicles and information technology equipment.

- Principal and interest is payable annually in installments of \$152,765 including interest at 3.1% through October 2021 for the GM Vehicle lease.
- Principal and interest is payable monthly in installments of \$4,862 including interest at 2.0% through April 2021 for the De Lage network lease.
- Principal and interest is payable monthly in installments of \$2,020 including interest at 4.2% through February 2021 for the De Lage telephone lease.
- Principal and interest is payable annually in installments of \$67,878 including interest at 4.7% through October 2022 for the GM Vehicle Lease.
- Principal and interest is payable annually in installments of \$62,056 including interest at 4.0% through October 2023 for the GM Vehicle Lease.

These leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments, as of the inception date in the government-wide financial statements of the County. A summary of the capital leases are as follows:

	Balance October 1, 2020	Increases	Decreases	Balance September 30, 2021
<u>Governmental Activities</u>				
Capital Leases	\$ 745,279	\$ -	\$ (297,976)	\$ 447,303

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2021 are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2022	\$ 282,701
2023	129,934
2024	62,056
Total Minimum Lease Payment	474,691
Less: Amount Representing Interest	(27,388)
Present Value of Minimum Lease Payment	<u>\$ 447,303</u>

The assets acquired through capital leases are as follows:

Assets:	<u>Amount</u>
Machinery and Equipment	\$ 1,501,019
Less: Accumulated Depreciation	(872,333)
Total	<u>\$ 628,686</u>

Lease amortization is included within depreciation expense.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 12 CHANGE IN ACCOUNTING PRINCIPLE

During the year ended September 30, 2021, the Sheriff adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. The implementation of this statement has resulted in changing the presentation of the financial statements by reporting certain additional activities in the Community Donations special revenue fund of the Sheriff. These activities were previously reported as fiduciary in nature with assets and liabilities only. Beginning net position has been restated to reflect this change.

	<u>Community Donations</u>
Fund Balance – Beginning of Year, as Previously Reported	\$ 83,548
Change in Accounting Principle	<u>17,074</u>
Fund Balance – Beginning of Year, as Restated	<u><u>\$ 100,622</u></u>

Additionally, the implementation of this statement has resulted in changing the presentation of the financial statements by establishing requirements for reporting net position in custodial funds. Beginning net position has been restated to reflect this change where necessary.

	<u>Inmate Trust</u>
Net Position – Beginning of Year, as Previously Reported	\$ -
Change in Accounting Principle	<u>25,123</u>
Net Position – Beginning of Year, as Restated	<u><u>\$ 25,123</u></u>

**OKEECHOBEE COUNTY SHERIFF
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2021**

	Community Donations	Special Duty Detail	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 90,444	\$ 745	\$ 91,189
Due from Other Funds	20,000	-	20,000
	\$ 110,444	\$ 745	\$ 111,189
LIABILITIES AND FUND BALANCES			
FUND BALANCES			
Restricted	\$ 110,444	\$ 745	\$ 111,189
	\$ 110,444	\$ 745	\$ 111,189
Total Liabilities and Fund Balances	\$ 110,444	\$ 745	\$ 111,189

**OKEECHOBEE COUNTY SHERIFF
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Community Donations	Special Duty Detail	Total Nonmajor Governmental Funds
REVENUES			
Charges for Services	\$ -	\$ 219,918	\$ 219,918
Investment Earnings	50	4	54
Miscellaneous	39,949	-	39,949
Total Revenues	39,999	219,922	259,921
EXPENDITURES			
Current:			
Public Safety:			
Salaries and Benefits	-	219,177	219,177
Operating Expenditures	30,177	-	30,177
Total Expenditures	30,177	219,177	249,354
NET CHANGE IN FUND BALANCE	9,822	745	10,567
Fund Balances - Beginning of Year, as Previously Reported	83,548	-	83,548
Change in Accounting Principle (See Note 12)	17,074	-	17,074
Fund Balance – Beginning of Year, as Restated	100,622	-	100,622
FUND BALANCES - SEPTEMBER 30, 2021	\$ 110,444	\$ 745	\$ 111,189

**OKEECHOBEE COUNTY SHERIFF
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS – CUSTODIAL FUNDS
 SEPTEMBER 30, 2021**

	Custodial Funds				Total Custodial Funds
	Individual Depositor	Cash Bond	Inmate Trust	Special Suspense	
ASSETS					
Cash and Cash Equivalents	\$ 4,885	\$ -	\$ 55,824	\$ 18,066	\$ 78,775
Total Assets	<u>4,885</u>	<u>-</u>	<u>55,824</u>	<u>18,066</u>	<u>78,775</u>
LIABILITIES					
Accounts Payable	1,510	-	-	-	1,510
Due to Other Governmental Units	-	-	-	18,051	18,051
Due to Others	-	-	30,041	-	30,041
Total Liabilities	<u>1,510</u>	<u>-</u>	<u>30,041</u>	<u>18,051</u>	<u>49,602</u>
NET POSITION					
Restricted for Individuals, Organizations and Other Governments	<u>\$ 3,375</u>	<u>\$ -</u>	<u>\$ 25,783</u>	<u>\$ 15</u>	<u>\$ 29,173</u>

**OKEECHOBEE COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	Custodial Funds				Total Custodial Funds
	Individual Depositor	Cash Bond	Inmate Trust	Special Suspense	
ADDITIONS					
Collections from Individuals	\$ 27,218	\$ 247,466	\$ 475,086	\$ 24,475	\$ 774,245
Investment Earnings	-	-	-	15	15
Total Additions	<u>27,218</u>	<u>247,466</u>	<u>475,086</u>	<u>24,490</u>	<u>774,260</u>
DEDUCTIONS					
Payments to Other Governments, Entities, or Individuals	<u>23,843</u>	<u>247,466</u>	<u>474,426</u>	<u>24,475</u>	<u>770,210</u>
Total Deductions	<u>23,843</u>	<u>247,466</u>	<u>474,426</u>	<u>24,475</u>	<u>770,210</u>
CHANGE IN NET POSITION	3,375	-	660	15	4,050
Net Position - Beginning of Year (Restated, See Note 12)	<u>-</u>	<u>-</u>	<u>25,123</u>	<u>-</u>	<u>25,123</u>
NET POSITION - END OF YEAR	<u>\$ 3,375</u>	<u>\$ -</u>	<u>\$ 25,783</u>	<u>\$ 15</u>	<u>\$ 29,173</u>



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

The Honorable Noel E. Stephen
Okeechobee County Sheriff
Okeechobee 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 and the aggregate remaining fund information of the Okeechobee County Sheriff, Okeechobee County, Florida (Sheriff), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated May 2, 2022.

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 have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2021-001, 2021-002, and 2021-003, that we consider to be material weaknesses.

The Honorable Noel E. Stephen
Okeechobee County Sheriff

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*.

Okeechobee County Sheriff's Responses to Findings

The Sheriff's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Sheriff's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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



CliftonLarsonAllen LLP

Sebring, Florida
May 2, 2022



MANAGEMENT LETTER

The Honorable Noel E. Stephen
Okeechobee County Sheriff
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Sheriff, Okeechobee County, Florida (Sheriff), as of and for the fiscal year ended September 30, 2021 and have issued our report thereon dated May 2, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 2, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. See the accompanying schedule of findings and responses for the current status of prior year findings and recommendations.

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.

The Honorable Noel E. Stephen
Okeechobee County Sheriff

Financial Management


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

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. See 2021-004 in the accompanying Schedule of Findings and Responses.

Purpose of this Letter

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



CliftonLarsonAllen LLP

Sebring, Florida
May 2, 2022

**OKEECHOBEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2021**

Prior Year

Prior Year Findings		Current Year Status			Current Year Finding #	2019-2020 Year Finding #	2018-2019 Year Finding #
		Cleared	Partially Cleared	Not Cleared			
Recording Revenue	Material Weakness in Internal Control over Financial Reporting			X	2021-001	2020-001	2019-004
Capital Assets	Material Weakness in Internal Control over Financial Reporting			X	2021-003	2020-002	Not reported
Expenditure Classification	Material Weakness in Internal Control over Financial Reporting	X			Not reported	2020-003	Not reported

Current Year

2021-001: Recording Revenue and Expenditures

Type of Finding

- Material Weakness in Internal Control over Financial Reporting

Condition: As part of the audit, we proposed adjustments to correct the following errors in the Sheriff's Financial Statements.

- General fund capital outlay expenditures were materially understated, and debt service expenditures were materially overstated because a capital purchase was recorded in the debt service – principal account.
- Community donations fund revenues and expenditures were materially understated because several cash receipts were recorded in expenditure accounts while several expenditures were recorded in revenue accounts.

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

Effect: The error resulted in material misstatements to the general fund capital outlay and debt service accounts. Community donations fund revenues and expenditures were materially misstated.

Cause: Review of cash receipt and expenditure postings did not detect the errors.

Repeat Finding: The finding is a repeat of a finding in the immediately prior year. Prior year finding number was 2020-001.

Recommendation: Individuals responsible for reviewing transactions should ensure they are posted to proper accounts. Additionally, management should perform a review of account balance detail to identify transactions posted to inappropriate accounts.

**OKEECHOBEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)

2021-001: Recording Revenue and Expenditures (Continued)

Views of responsible officials and planned corrective actions: Management agrees with the Auditors' recommendations. Policies will be implemented to ensure proper posting of transactions. Monthly reviews of account balances will be performed prior to month end closing.

2021-002: Account Reconciliations and Audit Adjustments

Type of Finding

- Material Weakness in Internal Control over Financial Reporting

Condition: Account balances, including opening fund balance, interfund balances, cash, accounts payable, due to others, revenue, and expenditures did not reconcile to supporting documentation or contained errors that were not detected by review of account balances.

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

Effect: Account balances were materially misstated.

Cause: Management did not perform a final reconciliation and detailed review process of all account balances before the year end accounting records are closed.

Repeat Finding: This finding was not reported in the prior year.

Recommendation: Account reconciliations should be prepared monthly by a staff member and reviewed by a member of management knowledgeable of GAAP, allowing management the ability to perform analytical analysis to identify unusual account balances. Trial balances should be reviewed before the accounting year end close is performed to ensure that all accounts are reconciled to supporting schedules or other documentation and any needed adjustments are posted.

Views of responsible officials and planned corrective actions: Management agrees with the Auditors' recommendations. Policies will be implemented for monthly reconciliations of accounts and review by management. Trial balances will be reviewed on a periodic basis and before year end closing to ensure all accounts are reconciled to supporting scheduled or other documentation and that any needed adjustments are posted.

**OKEECHOBEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)

2021-003: Capital Assets

Type of Finding

- Material Weakness in Internal Control over Financial Reporting

Condition: As part of the audit, we proposed adjustments to correct capital asset balances in the Sheriff's financial statements. This included correcting the value of items capitalized and depreciated.

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

Effect: The capital assets financial statement disclosure was materially misstated.

Cause: Certain equipment purchased in the current year was not accurately recorded in the capital assets subsidiary ledger.

Repeat Finding: The finding is a repeat of a finding in the immediately prior year. Prior year finding number was 2020-002.

Recommendation: The Sheriff should prepare a detailed reconciliation comparing capital outlay expenditures to capital asset additions. The reconciliation should be prepared by one individual and reviewed by a member of management to help identify errors and omissions.

Views of responsible officials and planned corrective actions: Management agrees with the Auditors' recommendations. Policies will be implemented for a detailed reconciliation comparing capital outlay expenditures to capital asset additions. The reconciliation will be reviewed by management to help identify errors and omissions.

2021-004: Budgets

Type of Finding

- State Compliance

Condition: For the year ended September 30, 2021, expenditures in the Inmate Welfare Fund exceeded the final adopted budget.

Criteria or specific requirement: Section 30.49, Florida Statutes, sets for the requirements of the Sheriff's budget.

Effect: The Sheriff is not in compliance with the budgetary requirements of Florida Statutes.

Cause: The budget was not amended during the fiscal year.

Repeat Finding: This finding was not reported in the preceding year.

**OKEECHOBEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)

2021-004: Budgets (Continued)

Recommendation: Budgets should be monitored at least monthly. Budgets should be amended when needed, within the time period allowed by Statute, to ensure that the Sheriff does not incur expenditures in excess of budgeted amounts.

Views of responsible officials and planned corrective actions: Management agrees with the Auditors' recommendation. Policies will be implemented to ensure budgets are reviewed monthly. Budgets will be amended as needed and within statutory requirements.



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Noel E. Stephen, Okeechobee County Sheriff,
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Sheriff, Okeechobee County, Florida's (the Sheriff) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2021. Management of the Sheriff is responsible for the Sheriff's compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Sheriff complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Sheriff complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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, 2021.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
May 2, 2022

OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2021



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**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
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INDEPENDENT AUDITORS' REPORT

The Honorable Melissa Arnold
Okeechobee County Supervisor of Elections
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the General Fund of the Okeechobee County Supervisor of Elections, Okeechobee County, Florida (Supervisor of Elections), as of and for the year ended September 30, 2021, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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, 2021, and the changes in financial position and the budgetary comparison of the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements 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 accompanying financial statements are intended to present the financial position and changes in financial position of the General Fund, only for that portion of the General Fund of Okeechobee County, Florida that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Okeechobee County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Supervisor of Elections' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
December 22, 2021

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2021**

ASSETS

Prepaid Items	\$ 22,678
	<hr/>
Total Assets	\$ 22,678
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable and Accrued Liabilities	\$ 8,373
Due to Board of County Commissioners	14,305
	<hr/>
Total Liabilities	22,678

FUND BALANCE

Nonspendable	22,678
Unassigned	(22,678)
	<hr/>
Total Fund Balance	-
	<hr/> <hr/>

Total Liabilities and Fund Balance	\$ 22,678
	<hr/> <hr/>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budget Amounts		Actual	Variance with Budget Positive (Negative)
	Original	Final		
REVENUES				
Appropriation from Board of County Commissioners	\$ 505,341	\$ 505,341	\$ 440,087	\$ (65,254)
Intergovernmental	28,340	59,813	25,173	(34,640)
Total Revenues	<u>533,681</u>	<u>565,154</u>	<u>465,260</u>	<u>(99,894)</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	345,678	340,678	309,920	30,758
Operating Expenditures	173,003	180,053	131,954	48,099
Capital Outlay	15,000	44,423	23,386	21,037
Total Expenditures	<u>533,681</u>	<u>565,154</u>	<u>465,260</u>	<u>99,894</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of the financial statements of the Okeechobee County Supervisor of Elections (Supervisor of Elections).

Reporting Entity

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

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

The operations of the Supervisor of Elections are funded by the Board. The receipts from the Board are recorded as revenue on the Supervisor of Elections' financial statements and as other financing uses on the Board's financial statements.

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 Supervisor of Elections to only present fund financial statements. These financial statements present only the portion of the funds of Okeechobee 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 Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America.

Fund Accounting

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

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

The purpose of the Supervisor of Elections' fund is as follows:

Government Funds

General Fund – The General Fund is the general operating fund of the Supervisor of Elections. All receipts that are not required either legally or by accounting principles generally accepted in the United States of America to be accounted for in other funds are accounted for in the General Fund.

Measurement Focus

Governmental Funds – Governmental funds are accounted for using a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. The reported unassigned fund balance (net current assets) is considered a measure of "available, spendable, or appropriable resources". Governmental fund type operating statements present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Basis of Accounting

Basis of accounting refers to when revenue 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.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenue is recognized when it becomes measurable and available as net current assets. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Supervisor of Elections considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Budgetary Requirements

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted for the General Fund. Budget to actual comparisons are provided in the financial statements for the General Fund, where the Supervisor of Elections has legally adopted an annual budget. Final budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual (accounting principles generally accepted in the United States of America) basis of accounting. The Supervisor of Elections' budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

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

Capital assets are defined by the Supervisor of Elections as assets with an initial, individual cost of \$1,000 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related machinery and equipment assets.

Accrued Compensated Absences

It is the Supervisor of Elections' policy to grant permanent full-time employees' vacation and sick leave. Employees are fully vested after 90 days for vacation leave and one year for sick leave. For all full-time employees, the maximum vacation to be reimbursed upon termination will be 240 hours; the maximum sick leave to be reimbursed will also be 240 hours.

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefits

In accordance with Section 112.0801, Florida Statutes, the Supervisor of Elections participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, are reported in the financial statements of the County.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 2 CASH

The Supervisor of Elections does not maintain her own deposit account as all of her transactions are processed by the Board.

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

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

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

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

NOTE 3 CAPITAL ASSETS

The Supervisor of Elections' capital assets include machinery and equipment. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2021:

<u>Governmental Activities</u>	Balance October 1, 2020	Increases	(Decreases)	Balance September 30, 2021
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 200,877	\$ 10,730	\$ (18,368)	\$ 193,239
Less: Accumulated Depreciation for:				
Machinery and Equipment	(143,461)	(20,119)	18,368	(145,212)
Total Capital Assets, Net	<u>\$ 57,416</u>	<u>\$ (9,389)</u>	<u>\$ -</u>	<u>\$ 48,027</u>

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 FUND BALANCE – GOVERNMENT FUNDS

As of September 30, 2021, fund balance of the General Fund is classified as follows:

Nonspendable – amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Committed – amounts that can be spent only for specific purposes determined by a formal action of the government’s highest level of decision-making authority.

Assigned – amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

Unassigned – amounts that are available for any purpose; these amounts can be reported only in the Supervisor of Elections’ General Fund.

The Supervisor of Elections has adopted a fund balance policy. Funds are committed through a written memorandum signed by the Supervisor of Elections. As of September 30, 2021, fund balances of the General Fund are composed of nonspendable amounts for prepaid items.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Supervisor of Elections considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Supervisor of Elections considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Supervisor of Elections has provided otherwise in its commitment or assignment actions.

NOTE 5 PERSONNEL COMMITMENTS

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Supervisor of Elections’ compensated absences policy.

The following is a summary of the changes in compensated absences for the Supervisor of Elections for the year ended September 30, 2021:

<u>Governmental Activities</u>	Balance October 1, 2020	Increases	(Decreases)	Balance September 30, 2021
Compensated Absences	\$ 5,258	\$ 655	\$ (5,208)	\$ 705

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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 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 and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

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.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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

Benefits Provided

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

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.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

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

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Supervisor of Elections.

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

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Supervisor of Elections' contributions made to the plans during the years ended September 30, 2021, 2020, and 2019 were \$37,558, \$24,587, and \$22,646, respectively, equal to the actuarially determined contribution requirements for each year.

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

NOTE 7 RELATED PARTY TRANSACTIONS

The General Fund of the Supervisor of Elections received payments from the Board in the amount of \$440,087 for the fiscal year ended September 30, 2021. Amounts payable to the Board at September 30, 2021 was \$14,305.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8 RISK MANAGEMENT

The Supervisor of Elections is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. There has been no significant reduction in the insurance coverage from the prior year. Insurance for the Supervisor of Elections relating to property, general liability, and workers' compensation is included in the policies maintained by the Board.

Insurance for the Supervisor of Elections related to commercial insurance coverage to insure employees for health and life costs is included in the policies maintained by the Board. The Supervisor of Elections does not retain any risk of loss under these policies.

There were no settled claims that have exceeded insurance coverage for each of the past three years.



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

The Honorable Melissa Arnold
Okeechobee County Supervisor of Elections
Okeechobee 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 Okeechobee County Supervisor of Elections, Okeechobee County, Florida (Supervisor of Elections) as of and for the year ended September 30, 2021, 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 December 22, 2021.

Internal Control Over Financial Reporting

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

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

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

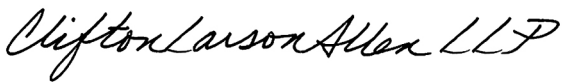
The Honorable Melissa Arnold
Okeechobee County Supervisor of Elections

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Sebring, Florida
December 22, 2021



MANAGEMENT LETTER

The Honorable Melissa Arnold
Okeechobee County Supervisor of Elections
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Supervisor of Elections, Okeechobee County, Florida (Supervisor of Elections), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated December 22, 2021.

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 December 22, 2021, 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.

The Honorable Melissa Arnold
Okeechobee County Supervisor of Elections

Financial Management

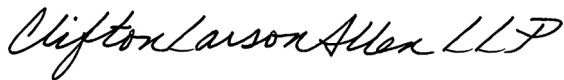
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

Sebring, Florida
December 22, 2021



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Melissa Arnold,
Okeechobee County Supervisor of Elections
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Supervisor of Elections, Okeechobee County, Florida's (Supervisor of Elections) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds, during the year ended September 30, 2021. Management of the Supervisor of Elections is responsible for the Supervisor of Elections' compliance with the specified requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Supervisor of Elections complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Supervisor of Elections complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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, 2021.

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

Sebring, Florida
December 22, 2021



OKEECHOBEE COUNTY TAX COLLECTOR

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2021



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**OKEECHOBEE COUNTY TAX COLLECTOR
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INDEPENDENT AUDITORS' REPORT

The Honorable Celeste Watford
Okeechobee County Tax Collector
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Okeechobee County Tax Collector, Okeechobee County, Florida (Tax Collector), as of and for the year ended September 30, 2021, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Tax Collector as of September 30, 2021, and the respective changes in financial position and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements 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 accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Okeechobee County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Okeechobee County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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


Supplementary Information

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

The Honorable Celeste Watford
Okeechobee County Tax Collector

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2021, 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

Sebring, Florida
December 29, 2021

**OKEECHOBEE COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General	Coquina	Total
ASSETS			
Cash	\$ 560,062	\$ 99,121	\$ 659,183
Due from Other Funds	-	8,000	8,000
Prepaid Items	8,000	-	8,000
	<u>\$ 568,062</u>	<u>\$ 107,121</u>	<u>\$ 675,183</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 900	\$ -	\$ 900
Due to Board of County Commissioners	551,042	-	551,042
Due to Other Governments	8,120	-	8,120
Due to Other Funds	8,000	-	8,000
Total Liabilities	<u>568,062</u>	<u>-</u>	<u>568,062</u>
FUND BALANCES			
Nonspendable	8,000	-	8,000
Committed	-	107,121	107,121
Unassigned	(8,000)	-	(8,000)
Total Fund Balances	<u>-</u>	<u>107,121</u>	<u>107,121</u>
Total Liabilities and Fund Balances	<u>\$ 568,062</u>	<u>\$ 107,121</u>	<u>\$ 675,183</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	General	Coquina	Total
REVENUES			
Charges for Services - Board of County Commissioners	\$ 827,942	\$ -	\$ 827,942
Charges for Services	730,660	10,301	740,961
Interest	288	58	346
Miscellaneous	36,082	-	36,082
Total Revenues	1,594,972	10,359	1,605,331
EXPENDITURES			
Current:			
General Government:			
Salaries and Benefits	1,014,629	255	1,014,884
Operating Expenditures	198,574	15,579	214,153
Capital Outlay	45,303	-	45,303
Total Expenditures	1,258,506	15,834	1,274,340
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	336,466	(5,475)	330,991
OTHER FINANCING USES			
Distribution of Excess Revenues:			
Board of County Commissioners	(328,346)	-	(328,346)
Other Governments	(8,120)	-	(8,120)
Total Other Financing Uses	(336,466)	-	(336,466)
NET CHANGE IN FUND BALANCES	-	(5,475)	(5,475)
Fund Balances - Beginning of Year	-	112,596	112,596
FUND BALANCES - END OF YEAR	\$ -	\$ 107,121	\$ 107,121

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services -				
Board of County Commissioners	\$ 750,000	\$ 750,000	\$ 827,942	\$ 77,942
Charges for Services	580,060	580,060	730,660	150,600
Interest	2,500	2,500	288	(2,212)
Miscellaneous	25,500	25,500	36,082	10,582
Total Revenues	<u>1,358,060</u>	<u>1,358,060</u>	<u>1,594,972</u>	<u>236,912</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	1,020,047	1,019,599	1,014,629	4,970
Operating Expenditures	174,433	207,944	198,574	9,370
Capital Outlay	-	45,303	45,303	-
Total Expenditures	<u>1,194,480</u>	<u>1,272,846</u>	<u>1,258,506</u>	<u>14,340</u>
EXCESS OF REVENUES OVER EXPENDITURES	163,580	85,214	336,466	251,252
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	(163,580)	(85,214)	(328,346)	(243,132)
Other Governments	-	-	(8,120)	(8,120)
Total Other Financing Uses	<u>(163,580)</u>	<u>(85,214)</u>	<u>(336,466)</u>	<u>(251,252)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Custodial Funds
ASSETS	
Cash	\$ 454,068
Due from Others	442
Total Assets	454,510
LIABILITIES	
Due to Individuals	105,683
Due to Other Governments	125,161
Deposits	223,666
Total Liabilities	454,510
NET POSITION	\$ -

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Custodial Funds
ADDITIONS	
Property Tax Collections for Other Governments	\$ 30,213,251
License and Fees Collected for State Agencies	7,539,849
Total Additions	37,753,100
DEDUCTIONS	
Payments of Property Tax to Other Governments	30,213,251
Payments to State Agencies	7,539,849
Total Deductions	37,753,100
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.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of the financial statements of the Okeechobee County Tax Collector (Tax Collector).

Reporting Entity

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

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

Upon approval of the operating budget, revenues are collected from the fees for the sale of tags, driver licenses, and sports licenses and from commissions earned for the collection of taxes for Okeechobee County, Florida, the Okeechobee County School Board, South Florida Water Management District, St. John's Water Management District, Children's Services Council, and Okeechobee Utility Authority pursuant to Florida Statute Chapter 192.091 (2) as a Fee Officer. Any excess revenues received over expenditures made are remitted to the Board and the other taxing districts and recorded as other financing uses.

Revenues are collected from commissions earned from the collection of taxes for the Coquina Water Control District pursuant to Florida Statute 298.401.

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 Tax Collector to only present fund financial statements. These financial statements present only the portion of the funds of Okeechobee County, Florida that are attributable to the Tax Collector. They are not intended to present fairly the financial position and results of operations of Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

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

Governmental Funds

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

Coquina Fund – The Coquina Fund is a special revenue fund, used to account for the revenues received from the Coquina District. The revenues are committed for specific purposes by the Tax Collector.

Fiduciary Funds

Custodial Funds – Custodial Funds are used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or funds.

Measurement Focus

Governmental Fund Type – Governmental funds are accounted for using a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. The reported unassigned fund balance (net current assets) is considered a measure of "available, spendable, or appropriable resources." Governmental fund type operating statements present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The custodial funds use the economic resources measurement focus.

Basis of Accounting

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

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenue is recognized when it becomes measurable and available as net current assets. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Tax Collector considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Custodial funds are accounted for using the accrual basis of accounting. Under the accrual method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Budgetary Requirements

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is approved by the Florida Department of Revenue for the General Fund. A budget to actual comparison is provided in the financial statements for the General Fund where the Tax Collector has legally adopted an annual budget. The Tax Collector is not legally required to adopt a budget for the Coquina Fund; therefore, budget comparison information is not included in the Tax Collector's financial statements. Final budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual (GAAP) basis of accounting. The Tax Collector's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Interfund Transactions

Outstanding balances between funds at September 30, 2021 are reported as "due to/from other funds."

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

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

Capital assets are defined by the Tax Collector as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

It is the Tax Collector's policy to allow employees to accumulate vacation and sick leave. After one year of creditable and continuous service, employees are fully vested and shall be paid for accumulated and unused sick leave up to a maximum of 240 hours. After one year of creditable and continuous service, employees are vested and shall be paid for accumulated and unused vacation leave up to a maximum of 120 hours. As an additional incentive, all employees who have been employed 30 years or more are eligible to receive all accumulated sick and vacation time upon their resignation or retirement.

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

Fund Balance

As of September 30, 2021, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Committed – amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority.

Assigned – amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

Unassigned – amounts that are available for any purpose; these amounts can be reported only in the Tax Collector's General Fund. Unassigned fund balance may also include a negative balance for any governmental fund if expenditures exceed the amount, restricted, committed, or assigned for those purposes.

The Tax Collector has adopted a Fund Balance policy. Funds are committed through an office memo of the Tax Collector. As of September 30, 2021, fund balances of the Coquina Fund are composed of committed amounts for personnel expenses associated with Coquina related duties, professional, other contractual, and office supplies.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Tax Collector considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Tax Collector considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Tax Collector has provided otherwise in its commitment or assignment actions.

Net Position

As of September 30, 2021, there was no net position in the Fiduciary Funds and no classification for net position is necessary.

Use of Estimates

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

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Tax Collector participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, are reported in the financial statements of the County.

NOTE 2 CASH

At September 30, 2021, the Tax Collector's bank balance was \$1,104,194, consisting entirely of demand deposits. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

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

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 2 CASH (CONTINUED)

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

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

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

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

Demand Deposits	\$ 1,110,551
Petty Cash and Change Funds	2,700
Total	<u>\$ 1,113,251</u>
Balance Sheet:	
Cash	\$ 659,183
Statement of Fiduciary Net Position:	
Cash	454,068
Total Cash	<u>\$ 1,113,251</u>

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 CAPITAL ASSETS

The Tax Collector's capital assets include machinery and equipment. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2021:

<u>Government Activities</u>	<u>Balance October 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2021</u>
Capital Assets, Being Depreciated				
Machinery and Equipment	\$ 88,763	\$ 44,895	\$ (11,500)	\$ 122,158
Less: Accumulated Depreciation				
Machinery and Equipment	(64,385)	(12,854)	11,500	(65,739)
Total Capital Assets, Net	<u>\$ 24,378</u>	<u>\$ 32,041</u>	<u>\$ -</u>	<u>\$ 56,419</u>

NOTE 4 PERSONNEL COMMITMENTS

Accrued compensated absences represent the vested portion of accrued annual leave. See Note 1 for a summary of the Tax Collector's compensated absences policy.

The following is a summary of the changes in long-term obligations of the Tax Collector for the year ended September 30, 2021:

	<u>Balance October 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2021</u>
Compensated Absences	<u>\$ 85,456</u>	<u>\$ 55,485</u>	<u>\$ (55,029)</u>	<u>\$ 85,912</u>

NOTE 5 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.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 PENSION PLANS (CONTINUED)

Background (Continued)

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

Florida Retirement System Pension Plan

Plan Description

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

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

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

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

Benefits Provided

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

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

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

Retiree Health Insurance Subsidy Program

Plan Description

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

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Benefits Provided

For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

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

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, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Tax Collector.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

FRS Investment Plan (Continued)

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 Tax Collector's contributions made to the plans during the years ended September 30, 2021, 2020, and 2019 were \$92,601, \$79,473, and \$63,792, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the countywide financial statements.

NOTE 6 RELATED PARTY TRANSACTIONS

Transactions with the Board for the year ended September 30, 2021 were as follows:

Charges for Services – The General Fund of the Tax Collector received revenue from the Board in the amount of \$827,942 for the year ended September 30, 2021. Excess fees payable to the Board at September 30, 2021 was \$250,404. Taxes and fees collected for the Board that were payable at September 30, 2021 were \$300,638.

NOTE 7 RISK MANAGEMENT

The Tax Collector is exposed to various risks of loss related to: torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. There has been no significant reduction in the insurance coverage from the prior year. Insurance for the Tax Collector relating to property, general liability, and workers' compensation is included in the policies maintained by the Board.

The Tax Collector carries commercial insurance coverage to insure employees for health and life insurance costs. The Tax Collector does not retain any risk of loss under these policies.

There were no settled claims that have exceeded insurance coverage for each of the past three years.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8 COMMITMENTS AND CONTINGENCIES

The Tax Collector is named as a defendant in several lawsuits concerning assessment and collection of prior years' ad valorem taxes on real and personal property located in Okeechobee County, Florida, as of September 30, 2021. The outcome of these matters turns upon disputed questions of property classifications and tax values. As of September 30, 2021, based on management's opinion, it does not appear the Tax Collector's assets will be affected and, consequently, no provision has been made in any of the funds for any liability that might arise from these claims.

**OKEECHOBEE COUNTY TAX COLLECTOR
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS – CUSTODIAL FUNDS
 SEPTEMBER 30, 2021**

	Custodial Funds			Total Custodial Funds
	Tax Collector Fund	Tax Fund	Tag Fund	
ASSETS				
Cash	\$ 197,333	\$ 134,560	\$ 122,175	\$ 454,068
Due from Others	-	-	442	442
Total Assets	<u>197,333</u>	<u>134,560</u>	<u>122,617</u>	<u>454,510</u>
LIABILITIES				
Due to Individuals	-	104,406	1,277	105,683
Due to Other Governments	3,821	-	121,340	125,161
Deposits	193,512	30,154	-	223,666
Total Liabilities	<u>197,333</u>	<u>134,560</u>	<u>122,617</u>	<u>454,510</u>
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY TAX COLLECTOR
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS – CUSTODIAL FUNDS
 YEAR ENDED SEPTEMBER 30, 2021**

	Custodial Funds			Total Custodial Funds
	Tax Collector Fund	Tax Fund	Tag Fund	
ADDITIONS				
Property Tax Collections for Other Governments	\$ 26,384,370	\$ 3,828,881	\$ -	\$ 30,213,251
License and Fees Collected for State Agencies	-	-	7,539,849	7,539,849
Total Additions	<u>26,384,370</u>	<u>3,828,881</u>	<u>7,539,849</u>	<u>37,753,100</u>
DEDUCTIONS				
Payments of Property Tax to Other Governments	26,384,370	3,828,881	-	30,213,251
Payments to State Agencies	-	-	7,539,849	7,539,849
Total Deductions	<u>26,384,370</u>	<u>3,828,881</u>	<u>7,539,849</u>	<u>37,753,100</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-	-
FIDUCIARY NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



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

The Honorable Celeste Watford
Okeechobee County Tax Collector
Okeechobee 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 Okeechobee County Tax Collector, Okeechobee County, Florida (Tax Collector), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements, and have issued our report thereon dated December 29, 2021.

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 may exist that have not been identified.

The Honorable Celeste Watford
Okeechobee County Tax Collector

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Sebring, Florida
December 29, 2021



MANAGEMENT LETTER

The Honorable Celeste Watford
Okeechobee County Tax Collector
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Tax Collector, Okeechobee County, Florida (Tax Collector), as of and for the fiscal year ended September 30, 2021 and have issued our report thereon dated December 29, 2021.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated December 29, 2021, 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 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.

The Honorable Celeste Watford
Okeechobee County Tax Collector

Financial Management

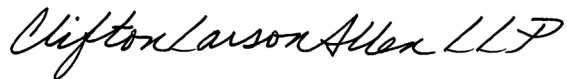
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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



CliftonLarsonAllen LLP

Sebring, Florida
December 29, 2021



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Celeste Watford, Okeechobee County Tax Collector,
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Tax Collector, Okeechobee County, Florida's (Tax Collector) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2021. Management of the Tax Collector is responsible for the Tax Collector's compliance with the specified requirements. Our responsibility is to express an opinion on the Tax Collector's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Tax Collector complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Tax Collector complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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, 2021.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
December 29, 2021