

INDIAN RIVER COUNTY,
FLORIDA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

for the Fiscal Year
October 1, 2022 through September 30, 2023



Photo courtesy of the Indian River County Chamber of Commerce

INDIAN RIVER COUNTY, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR
OCTOBER 1, 2022
THROUGH
SEPTEMBER 30, 2023

Ryan L. Butler
Clerk of the Circuit Court and Comptroller

Prepared By:
Clerk of the Circuit Court Comptroller Division

Elissa Nagy, CPA, CGFO
Chief Deputy Comptroller

Indian River County, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Fiscal Year Ended September 30, 2023

Board of County Commissioners as of September 30, 2023

Joseph Earman
Chairman
Susan Adams
Vice-Chairman

Joseph E. Flescher
Deryl Loar
Laura Moss

Current Board of County Commissioners (effective November 21, 2023)

Susan Adams
Chairman
Joseph E. Flescher
Vice-Chairman

Joseph Earman
Deryl Loar
Laura Moss

Constitutional Officers as of September 30, 2023

Ryan L. Butler
Clerk of the Circuit Court and Comptroller

Wesley Davis
Property Appraiser

Eric Flowers
Sheriff

Leslie R. Swan
Supervisor of Elections

Carole Jean Jordan
Tax Collector

County Management as of September 30, 2023

John A. Titkanich, Jr.
County Administrator

Michael Zito
Deputy County Administrator

William K. DeBraal
County Attorney

Kristin Daniels
*Director Office of
Management & Budget*

Sean Lieske
*Acting Director of
Public Works*

Andy Sobczak
*Interim Director of
Community Development*

Sean Lieske
Director of Utilities

Dave Johnson
*Director of
Emergency Services*

Suzanne Boyll
*Director of
Human Resources*

Dan Russell
*Director of
Information Technology*

Indian River County, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
Fiscal Year Ended September 30, 2023

INTRODUCTORY SECTION

**Page
Number**

LETTER OF TRANSMITTAL	i
ORGANIZATION CHART	viii
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	ix

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	23
Statement of Activities	24
Fund Financial Statements:	
Balance Sheet - Governmental Funds	26
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	28
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	33
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Impact Fees Fund	34
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Transportation Fund	35
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Emergency Services District Fund	36
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Coastal Engineering Fund	37

Indian River County, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS - CONTINUED
Fiscal Year Ended September 30, 2023

	Page Number
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - American Rescue Plan Fund	38
Statement of Fund Net Position - Proprietary Funds	39
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	40
Statement of Cash Flows - Proprietary Funds	42
Statement of Fiduciary Net Position - Fiduciary Funds	46
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	47
Notes to Financial Statements	49
 REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of the County's Proportionate Share of the Net Pension Liability - Florida Retirement System (FRS) Defined Benefit Pension Plan	120
Schedule of the County's Proportionate Share of the Net Pension Liability - Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan	120
Schedule of the County's Contributions - FRS Defined Benefit Pension Plan	121
Schedule of the County's Contributions - HIS Defined Benefit Pension Plan	121
Schedule of Changes in Net OPEB Liability and Related Ratios	122
Schedule of OPEB Contributions	124
Notes to Schedule of OPEB Contributions	125
Schedule of OPEB Investment Returns Multiyear	126
 COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES:	
Combining Balance Sheet - Nonmajor Governmental Funds	132
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	140
Budgetary Comparison Schedules	147
Combining Statement of Net Position - Internal Service Funds	178
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds	179
Combining Statement of Cash Flows - Internal Service Funds	180

Indian River County, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS - CONTINUED
Fiscal Year Ended September 30, 2023

STATISTICAL SECTION

	Page Number
SCHEDULE 1 Net Position by Component - Last Ten Fiscal Years	184
SCHEDULE 2 Changes in Net Position - Last Ten Fiscal Years	186
SCHEDULE 3 Fund Balances, Governmental Funds - Last Ten Fiscal Years	190
SCHEDULE 4 Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years	192
SCHEDULE 5 Tax Revenues by Source, Governmental Funds - Last Ten Fiscal Years	194
SCHEDULE 6 Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years	195
SCHEDULE 7 Property Tax Rates - Direct and Overlapping Tax Rates - Last Ten Fiscal Years	196
SCHEDULE 8 Principal Property Taxpayers - Year 2023 and Year 2014	198
SCHEDULE 9 Property Tax Levies and Collections - Last Ten Fiscal Years	199
SCHEDULE 10 Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	200
SCHEDULE 11 Ratio of Net General Bonded Debt Outstanding to Taxable Value and Net Bonded Debt Per Capita - Last Ten Fiscal Years	202
SCHEDULE 12 Computation of Legal Debt Margin	203
SCHEDULE 13 Direct and Overlapping Governmental Activities Debt	204
SCHEDULE 14 Demographic and Economic Statistics - Last Ten Years	206

Indian River County, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS - CONTINUED
Fiscal Year Ended September 30, 2023

		Page Number
SCHEDULE 15	Principal Employers - Year 2023 and Year 2014	207
SCHEDULE 16	Building Permits - Last Ten Fiscal Years	208
SCHEDULE 17	Operating Indicators by Function/Program - Last Ten Fiscal Years	210
SCHEDULE 18	Full Time Equivalent County Government Employees by Function/Program - Last Ten Fiscal Years	214
SCHEDULE 19	Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	216
SCHEDULE 20	Department of Utility Services - Historical Rate Structure - Last Ten Fiscal Years	220
SCHEDULE 21	Water and Wastewater Customers - Last Ten Fiscal Years	222
SCHEDULE 22	Top 10 High Volume Customers of Utility Services	223
SCHEDULE 23	Capacity Charges - Utilities Department - Last Ten Fiscal Years	224
SCHEDULE 24	Pledged Revenues for Spring Training Facility Revenue Bonds, Series 2001 - Last Ten Fiscal Years	225
SCHEDULE 25	Dependent Special District Specific Information per F.S.218.39(3)(c) - Fiscal Year Ended September 30, 2023	226

Indian River County, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS - CONTINUED
Fiscal Year Ended September 30, 2023

COMPLIANCE SECTION

	Page Number
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	229
County Management Letter	231
Independent Accountants' Report	234
Federal and State Grants:	
Independent Auditors' Report on the Schedule of Expenditures of Federal Awards and State Projects Required by Uniform Guidance and Chapter 10.550, Rules of the Auditor General	235
Schedule of Expenditures of Federal Awards and State Projects	236
Notes to Schedule of Expenditures of Federal Awards and State Projects	241
Independent Auditors' Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General	242
Schedule of Findings and Questioned Costs	245
Summary Schedule of Prior Audit Findings	247
Impact Fee Affidavit	248

Indian River County, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS - CONTINUED
Fiscal Year Ended September 30, 2023

AUDITOR GENERAL REPORTS SECTION

	Page Number
BOARD OF COUNTY COMMISSIONERS	
Independent Auditors' Report	252
Fund Financial Statements	256
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	337
Management Letter	339
Independent Accountants' Report	341
 CLERK OF THE CIRCUIT COURT AND COMPTROLLER	
Independent Auditors' Report	344
Fund Financial Statements	347
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	365
Management Letter	367
Independent Accountants' Report	369
 PROPERTY APPRAISER	
Independent Auditors' Report	372
Fund Financial Statements	375
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	387
Management Letter	389
Independent Accountants' Report	391

Indian River County, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS - CONTINUED
Fiscal Year Ended September 30, 2023

	Page Number
SHERIFF	
Independent Auditors' Report	394
Fund Financial Statements	397
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	411
Management Letter	413
 SUPERVISOR OF ELECTIONS	
Independent Auditors' Report	416
Fund Financial Statements	419
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	431
Management Letter	433
 TAX COLLECTOR	
Independent Auditors' Report	436
Fund Financial Statements	439
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	456
Management Letter	458
Independent Accountants' Report	460



Ryan L. Butler

Clerk of Circuit Court & Comptroller
P.O. Box 1028
Vero Beach, FL 32961-1028
Telephone: (772) 226-3100



March 12, 2024

To the Citizens of Indian River County and the Honorable Members of the Board of County Commissioners:

We are pleased to present the Annual Comprehensive Financial Report of Indian River County, Florida for the fiscal year ending September 30, 2023. State law requires that every general-purpose government publish a complete set of audited financial statements within nine months of the close of each fiscal year. This report was prepared by the Comptroller Division under the supervision of the Clerk of the Circuit Court and Comptroller. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Comptroller Division and is contingent upon the internal control established for this purpose.

The Constitution of the State of Florida directs that the Clerk of the Circuit Court and Comptroller serves as the Chief Financial Officer of the County. The Clerk is responsible for the accuracy of the data presented in this report, as well as its completeness. We believe the data presented is accurate in all material aspects, and is presented in a manner designed to fairly set forth the financial position and results of the County's operations. All disclosures necessary to enable the reader to obtain a comprehensive understanding of the County have been included in this report.

The County has established a comprehensive internal control framework designed to ensure that the County's assets are protected from loss, theft, or misuse, and to certify that the financial records and data used for preparing the financial statements are in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The internal control system is designed to provide reasonable, rather than absolute, assurance that these objectives are met. The idea of reasonable assurance recognizes two aspects: 1) the cost of internal control should not exceed the anticipated benefits; and 2) the valuation of the costs and benefits require estimates and judgment by management. All internal control evaluations take place within this framework. We believe the County's internal controls adequately safeguard its assets and provide reasonable assurance of properly recorded financial transactions.

Section 218.39, Florida Statutes, requires an annual audit of local governments. The unmodified opinion of the independent auditors (Rehmann Robson LLC) on the County's financial statements for the year ending September 30, 2023 has been included in this report. This opinion is located at the front of the financial section of this report. The audit was also designed to meet the requirements of *Government Auditing Standards*, the Florida Single Audit Act, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General. Readers of this report are encouraged to read Management's Discussion and Analysis (MD&A), which provides basic financial information about the County

and an overview of the County's activities. The MD&A immediately follows the independent auditors' report.

Profile of Indian River County

The Florida Legislature established Indian River County on June 29, 1925. The County is located on the central Atlantic coast of Florida, approximately 100 miles southeast of Orlando and 135 miles north of Miami. The County is bordered by Brevard County to the north, St. Lucie County to the south, and Osceola and Okeechobee Counties on the west. There are approximately 100 miles of waterfront land in the County, including 23 miles of Atlantic beaches.

The City of Vero Beach is the seat of County government. Indian River County is a non-charter county established under the Constitution and the Laws of the State of Florida. A five member Board of County Commissioners (Board), elected at large from five districts, governs the County. The Board appoints a County Administrator who is responsible for implementing the policies set forth by the Board. The County Administrator is charged with the proper fiscal management of the resources of the County. In addition to the Board, there are five elected Constitutional Officers serving specific governmental functions: Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. Although the majority of the funding for all Constitutional Officers is part of the County's General Fund, the Board does not have direct responsibility for their operations.

Indian River County provides a full range of services including, but not limited to: construction and maintenance of roadways, sidewalks and other infrastructure, fire rescue/emergency services, law enforcement, library services, traffic operations and control, parks and recreational services, golf course, human services, building inspections, licenses and permits, water/sewer utility services, and refuse collection and disposal.

The Clerk of the Circuit Court and Comptroller (Clerk), Sheriff, and Supervisor of Elections submit proposed operating budgets to the Board prior to May 1. The Property Appraiser submits a budget to the Florida Department of Revenue prior to June 1st. The Tax Collector follows with a budget prior to August 1st. Once the Department of Revenue approves these budgets, they are forwarded to the Board. The Clerk submits a budget for court-related functions to the Florida Clerks of Court Operations Corporation (CCOC) prior to June 1st.

The Constitutional Officers, all departments controlled by the Board of County Commissioners, and outside State and local agencies submit their proposed budgets to the Office of Management and Budget for assistance, review, and compilation. The County Administrator then reviews all the budgets of the County departments, state agencies and nonprofit organizations, and makes his budget recommendations to the Board of County Commissioners in July of each year. The Board then holds public workshops to review the tentative budget.

The Board holds public hearings in September pursuant to Section 200.065, Florida Statutes, in order for the Board to receive public input on the proposed budget. At the end of the last public hearing the Board enacts a resolution to legally adopt (at the fund level) the budgets for all governmental fund types. The budgets legally adopted by the Board set forth the anticipated

revenues by source and the appropriations by function. The Board adopts Budgets for Enterprise and Internal Service funds on a basis consistent with generally accepted accounting principles. Management is authorized to transfer budgeted amounts between objects and departments in any fund as long as the total appropriations of a fund are not exceeded. Board approval to amend the budget is required when unanticipated revenues are received that management wishes to have appropriated, thereby increasing the total appropriations of a fund. Appropriations for the County lapse at the close of the fiscal year. The Board may appropriate unexpended ongoing project costs in the new fiscal year through a budget amendment.

This Annual Comprehensive Financial Report includes the funds of the primary government (the Board of County Commissioners, the Clerk of the Circuit Court and Comptroller, the Property Appraiser, the Sheriff, the Supervisor of Elections and the Tax Collector), and the blended component units consisting of the Emergency Services District and the Solid Waste Disposal District. These component units were included because generally accepted accounting principles require that organizations which are fiscally dependent on the County and that financially benefit from the relationship with the County be reported with the primary government (the County) as the reporting entity. The fiduciary component unit of the Other Postemployment Benefits (OPEB) Trust Fund is also included because the OPEB plan is administered through a trust and the primary government (the County) has assumed the obligation to make contributions to the OPEB plan. This Annual Comprehensive Financial Report does not include the Indian River County School District, the Indian River Mosquito Control District or the Indian River County Hospital District because those entities are independent from the County.

Local Economy

Indian River County's estimated population of 167,781 was a 1.34% increase over the previous year and ranks 31st in population size of Florida's 67 counties. While the population of the County has been steadily increasing, so has the median age of residents living here. Indian River County is ranked sixth among Florida counties by percent of population ages 65 and older with 32.4%. Nationally, average ages have risen due to the increasing age of the baby boomer generation as well as the increase in life expectancy for all Americans. In addition, Florida continues to be a popular destination for retirees.

Indian River County's economy was historically made up of agriculture (citrus and cattle), construction, and tourism. Increases in the health care, information technology, and light manufacturing industries and service sector jobs have supplemented these industries to boost the local economy in recent years. While the citrus industry has faced challenges in recent years due to citrus greening and foreign competition, construction and tourism have remained vibrant. Piper Aircraft, Inc., whose headquarters for aircraft research, development, and manufacturing operations are located in Vero Beach, is the largest manufacturing employer in the area. CVS Pharmacy operates a distribution center in the County which provides the distribution of products to all CVS locations in the southern half of Florida. Local government, healthcare and food/beverage retail chains are the County's major employers. The unemployment rate increased from a historically low rate of 3.1% in 2022 to 4.0% in 2023.

The Atlantic beaches, the Indian River Lagoon, and Blue Cypress Lake, along with the comfortable climate, provide the basis for a year-round tourism industry. Residents can enjoy public resources at any of the many beautiful County parks and conservation areas, the Sebastian Inlet State Park, the St. Sebastian River Preserve State Park, or the Pelican Island National Wildlife Refuge. The County's public golf course, Sandridge Golf Club, is comprised of two 18-hole championship courses earning the distinction as one of the finest public golf destinations in the entire state of Florida.

During fiscal year 2023, Indian River County continued to experience positive economic activity with taxable property tax values increasing from \$23.4 billion in 2022 to \$26.6 billion in 2023. Tourism has increased as evidenced by the rise in tourist tax collections which are up 9.2%, setting another all-time high. Construction activity, another significant sector for the local economy, however, saw a significant decrease in the number of new construction permits issued in 2023. This continues a decline from an extraordinarily active year in 2021, where the County saw its highest number of new construction permits issued in the last ten years. Please see the Statistical Section schedules 6 and 16 for additional information.

Long Term Financial Planning and Major Initiatives

Chapter 163 of the Florida Statutes and Florida Administrative Code Rule 9J-5 requires each local government to have a Comprehensive Land Use Plan. An important part of this plan is the Capital Improvements Plan (CIP) which evaluates the need for public facilities in support of the Future Land Use Element, to estimate the costs of improvements for which local government has fiscal responsibility, to analyze the fiscal capacity of the local government to finance and construct improvements, and to adopt financial policies to guide the funding and construction of the improvements. The CIP is updated annually and encompasses a period of five years. Listed below are some major projects included in the current CIP along with the source of funding and estimated costs:

- ❖ North Sebastian Water and Sewer Project Phase 2 - The County has adopted a Lagoon Management Plan to guide efforts for the restoration and conservation of this ecologically and economically important habitat. One of the goals in this effort is to implement septic to sewer projects to reduce the impact of septic systems on the health of the lagoon. This project will provide water and sewer connections to approximately 200 homes in an area that borders the St. Sebastian River as well as the Indian River Lagoon. Funding for this project totaling \$7.1 million is provided by numerous grants from the State, St. John's River Water Management District and the Indian River Lagoon Council, as well as property assessments and the Local Option Sales Tax.
- ❖ Moorhen Marsh Low Energy Aquatic Plant System (Moorhen Marsh) – Another component of the Lagoon Management Plan, this project is a regional County stormwater/canal water treatment facility that will use managed aquatic plants to remove nitrogen and phosphorus from the Indian River Farms Water Control District North Relief Canal water to reduce the flow of nutrients into the Indian River Lagoon. Moorhen Marsh will be the County's sixth regional nutrient removal facility. The \$11.0 million facility is funded by the Local Option Sales Tax, as well as a St. John's River Water Management

District Cost Share Grant and a grant from the Florida Department of Environmental Protection.

- ❖ Cell III of Segment 3 of the Class I Landfill and construction of a new Single-stream Materials Recycling Facility/Household Hazardous Waste Building –With continued growth of the community, a new landfill cell is needed to accommodate the increasing waste stream of the County. Construction of the new cell will begin in fiscal year 2024 for a total cost of about \$9.6 million. Additionally, the County is currently working on the design of a new Single Stream Materials Recycling Facility and Household Hazardous Waste Building to allow for more effective processing of recyclable material from residential and commercial property. This building is scheduled for construction in fiscal year 2026 at an estimated cost of \$9 million. Funding for these projects will be provided by solid waste assessments and user fees charged by the Solid Waste Disposal District.
- ❖ 66th Avenue Widening – Two 66th Avenue widening projects are currently under way. These projects will widen a two-lane road to a five-lane divided roadway and replace numerous substandard bridges. The first segment covers 2.5 miles from 49th Street to 69th Street. The County awarded a construction contract for \$32.7 million in April 2021. The second segment covers 2.0 miles from 69th Street to 85th Street. The County has slated this segment for construction in May 2023, at a cost of \$19.5 million. Once both projects are complete, 66th Avenue will be a continuous five-lane highway from State Road 60 to 85th Street/County Road 510 serving as a major transportation connection between the north and south county. Funding for these projects is provided by a combination of State transportation grants, traffic impact fees, and Local Option Sales Tax.

Major projects or initiatives that were completed during fiscal year 2023 are listed below:

- ❖ North County Library Expansion - This project added 2,823 square feet to the North County Library, including two small conference rooms which will help serve this growing area of the County. The total cost of construction was \$2.0 million.
- ❖ Tax Collector's Office Expansion – This \$720,000 project provided an additional 1,516 square feet in the Tax Collector's Main Office including modernization and improvements to better serve the public when doing business with the Tax Collector's Office. This office provides services such as drivers license, property tax, motorist services, hunting and fishing licenses, and more.
- ❖ Pickleball Complex - The \$1.1 million Pickleball Complex at Dick Bird South County Park is the first dedicated outdoor pickleball facility at a County park. This project includes 12 lighted courts and amenities and provides a high quality venue for league play as well as tournaments for this rapidly growing sport.
- ❖ Oyster Bar Marsh Conservation Area - This project provided public access improvements to a 132-acre riverfront property including herbaceous wetland, and mangrove communities bordering the Indian River Lagoon. The former mosquito impoundment will

include a 3-mile walking trail with mangrove and lagoon overlooks, a pollinator trail, and parking facilities following completion of this \$440,000 project.

Relevant Financial Policies

In accordance with the strict guidelines in Section 218.415, Florida Statutes, the County has adopted an investment policy which governs the investment of County surplus funds. This policy establishes investment objectives, maturity and liquidity requirements, portfolio composition, risk and diversification requirements, and authorized investments. The primary objectives of investment activities are to preserve capital and maintain sufficient liquidity to meet anticipated cash flow needs. The secondary objective is to obtain competitive returns on the investment of County surplus funds.

On September 23, 2008, the County established the OPEB (Other Postemployment Benefits) Trust. An OPEB investment policy was approved by the Board of County Commissioners in February 2009. The objective of the policy was to provide short-term and long-term investment guidelines. This policy also outlines the same criteria as noted in the County's investment policy, as well as including performance measures. The County's policy is to fund the annual OPEB obligation.

The County's goal is to maintain an overall fund balance equal to 30% of the annual budget in all of its taxing funds, which provides a three month cushion for operating expenses. The three month reserve is necessary due to the timing of property tax levies in the State of Florida. Although the fiscal year begins in October, property tax monies are not typically received until mid to late December, which would require the County to operate in a deficit position for the first two months of the fiscal year without this reserve. The County needs these reserve funds in order to respond to events such as hurricanes or other emergencies without facing serious financial burdens. County policy is to maintain fund balance levels and prohibit the use of fund balance to fund recurring expenditures. Information on the County's fund balance policy can be found in County Note 18.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Indian River County for its Annual Comprehensive Financial Report for the fiscal year ending September 30, 2022. This was the 40th consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

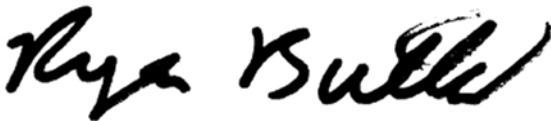
Indian River County also received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ending September 30, 2022. This was the

seventh consecutive year the County has received this award. This program was developed by the GFOA to encourage and assist governments to extract information from the Annual Comprehensive Financial Report to produce a high-quality report specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

In addition, Indian River County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the 2022-2023 fiscal year. This was the 32nd consecutive year that the County has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document had to be judged proficient as a policy document, financial plan, operations guide, and communications device. With receipt of all three awards mentioned above, the County has been recognized by the GFOA as a Triple Crown Winner. Indian River County is one of only 317 governments that received the Triple Crown award last year.

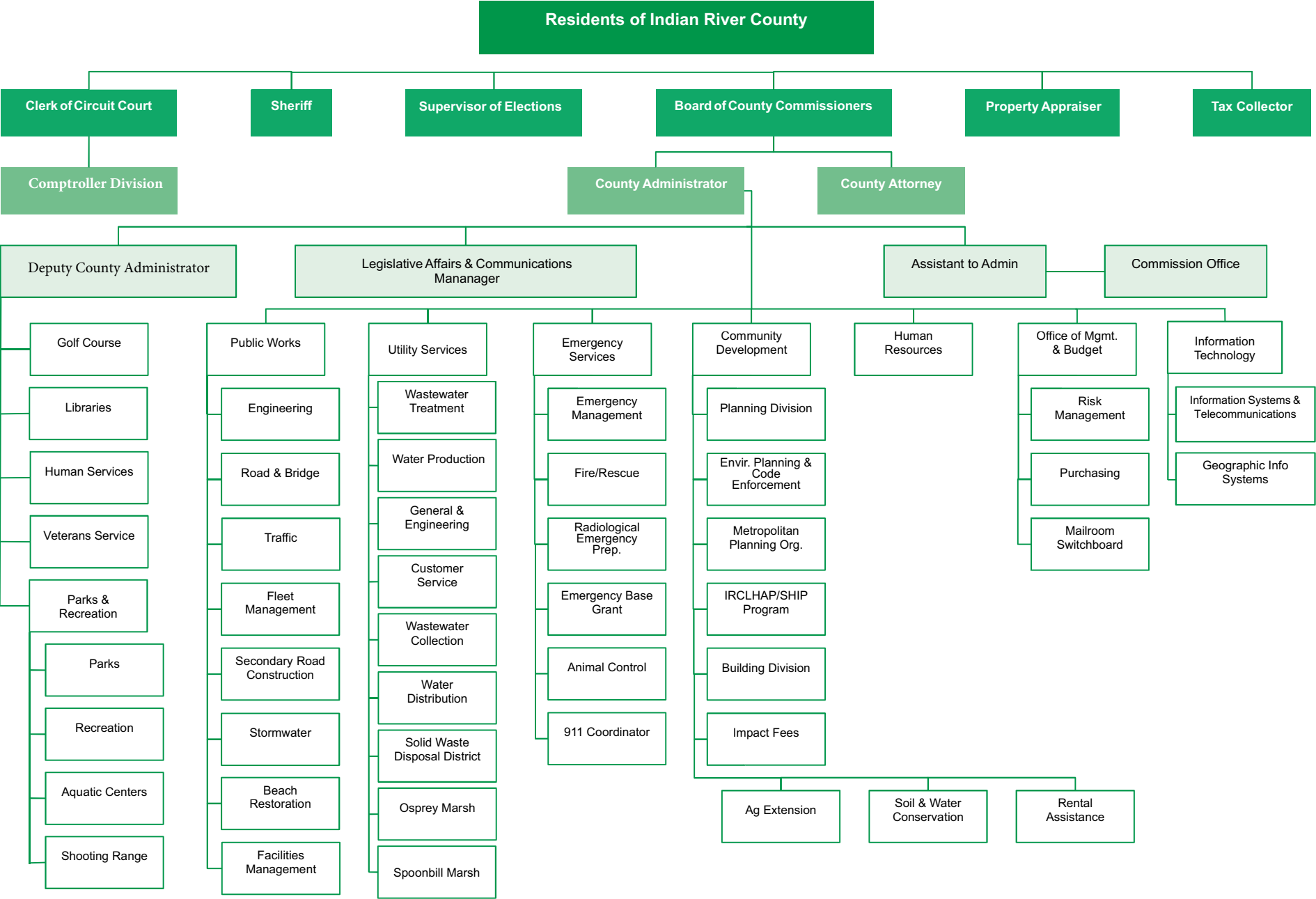
I would like to thank the entire staff of the Comptroller Division for their invaluable assistance in the preparation of this report. I would also like to thank the Board of County Commissioners and their staff, and the other Constitutional Officers for their personal interest and support in planning and conducting the financial operations of the County in a responsible and prudent manner. Finally, thanks to the citizens for the trust you continue to place in your County and those who work to serve you.

Respectfully submitted,

A handwritten signature in black ink, reading "Ryan Butler". The signature is written in a cursive, flowing style with a large, prominent "R" and "B".

Ryan L. Butler
Clerk of the Circuit Court and Comptroller

Indian River County Departmental Organization





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Indian River County
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO



March 8, 2024

The Honorable Board of County Commissioners
and Constitutional Officers
Indian River County, Florida

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparisons for the general fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditors' Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2023, 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 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 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.

Rehmann Lohman LLC

Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023

We offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here, in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vii of this report. **All amounts are expressed in millions of dollars, except amounts in the *Economic Factors and Next Year's Budgets and Rates* section, which are expressed in whole dollars.**

FINANCIAL HIGHLIGHTS

- The County's overall financial position improved over 2022.
- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows by \$1,191.3 (net position). Of this amount, \$90.2 (unrestricted net position) may be used to meet the government's ongoing obligations to its citizens and creditors. Further information can be found on page 9.
- The government's total net position increased by \$31.3 or 2.7%. Governmental activities accounted for \$23.3 of this increase and business-type activities accounted for the remaining \$8.0. Further information can be found on page 11.
- Governmental activities expenses reflected a 29.4% increase (\$219.0 in 2022 to \$283.4 in 2023) and business-type activities expenses reflected an 8.8% increase (\$74.0 in 2022 to \$80.5 in 2023). Further information can be found on page 11.
- Unassigned fund balance for the general fund was \$89.9, or a 15.7% increase from the prior year general fund unassigned fund balance of \$77.7.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are composed of three elements: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

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

The Statement of Net Position presents information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position.

Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation, and court related functions. The major business-type activities include a water and sewer utility, a solid waste disposal district, a golf course, and a building department.

The government-wide financial statements include not only the Board of County Commissioners, but also the Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector. The government-wide financial statements can be found on pages 23-25 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains numerous individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the general fund and major special revenue and capital projects funds. Data from the remaining governmental funds are combined into a single, aggregated presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements located behind the notes to the financial statements. The combining statements for the nonmajor governmental funds can be found on pages 127-175 of this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 26-38 of this report.

Proprietary funds. The County maintains *two* different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its water and sewer utility, solid waste disposal district, golf course, and building department. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for fleet management, self-insurance, and information technology. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utility, solid waste disposal district, golf course, and building department, which are considered to be major funds of the County. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements behind the notes to the financial statements on pages 177-181 of this report. The basic proprietary fund financial statements can be found on pages 39-45 of this report.

Fiduciary funds. Fiduciary funds of the County include the custodial fund and the other postemployment benefit trust fund (OPEB Trust). The custodial fund accounts for resources held in a custodial capacity for the benefit of parties outside the government. The Indian River County OPEB Trust holds the assets of the County's other postemployment benefits. 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. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 46-47 of this report.

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. The notes to the financial statements can be found on pages 49-118 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information concerning Indian River County's progress in funding its obligations to provide other postemployment benefits to its employees, as well as information regarding the County's proportionate share of its pension liability. Required supplementary information can be found on pages 120-126 of this report.

Government-wide financial analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,191.3 at the close of the fiscal year.

Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Indian River County Net Position (In Millions)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 410.6	\$ 381.3	\$ 141.9	\$ 134.6	\$ 552.5	\$ 515.9
Capital assets	670.8	659.6	231.1	227.0	901.9	886.6
Total assets	1,081.4	1,040.9	373.0	361.6	1,454.4	1,402.5
Deferred outflows of resources	43.7	50.5	2.7	3.2	46.4	53.7
Other liabilities	220.0	214.0	25.1	23.9	245.1	237.9
Long-term liabilities	37.9	32.3	12.1	10.0	50.0	42.3
Total liabilities	257.9	246.3	37.2	33.9	295.1	280.2
Deferred inflows of resources	12.7	13.9	1.7	2.1	14.4	16.0
Net position:						
Net investment in capital assets	655.9	647.2	228.0	224.2	883.9	871.4
Restricted	217.2	196.9	-	-	217.2	196.9
Unrestricted (deficit)	(18.6)	(12.9)	108.8	104.6	90.2	91.7
Total net position	\$ 854.5	\$ 831.2	\$ 336.8	\$ 328.8	\$ 1,191.3	\$ 1,160.0

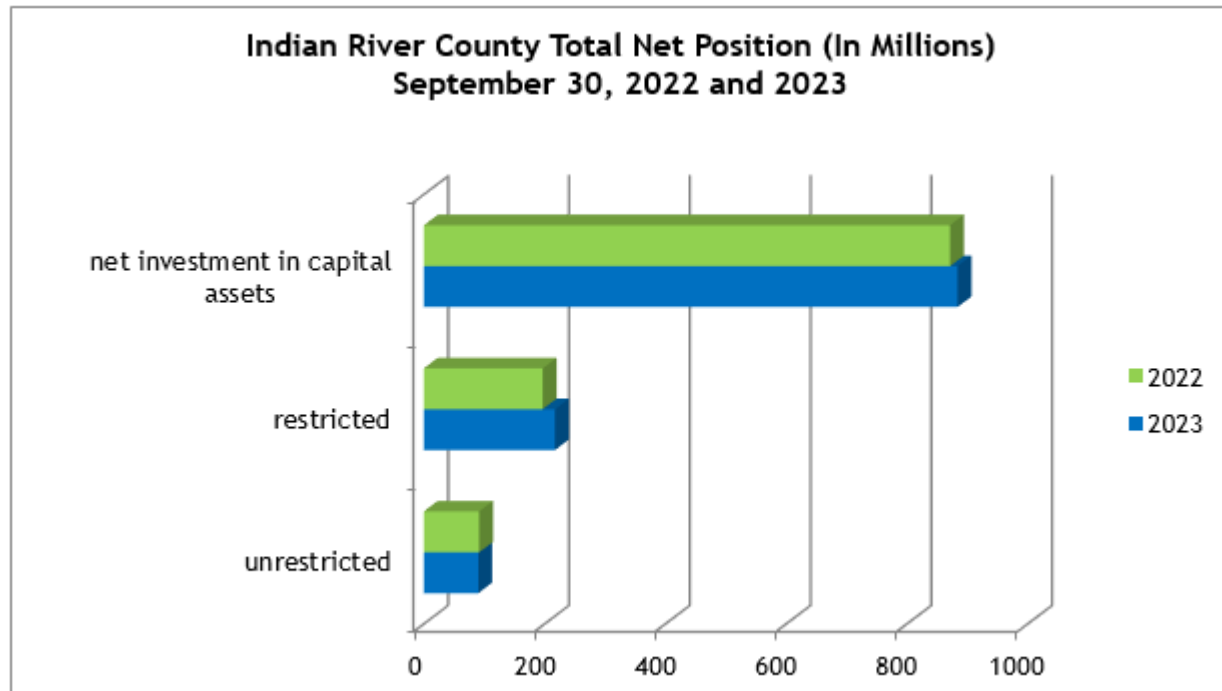
Governmental Activities

In governmental activities, the increase in current and other assets was the result of increased cash and investments for planned projects for future years as well as increased investment earnings. The increase in restricted net position was mainly due to an increase in net position restricted for capital projects and public safety for future capital purchases and improvements. The increase in capital assets and net investment in capital assets was a result of completed construction projects. The increase in long term liabilities and decrease in unrestricted net position was due to an increase in the net pension liability.

Business-type Activities

In business-type activities, the increase in current and other assets was due to increased cash and investments from increased investment earnings as well as increased inventories due to a rise in pricing and quantities. The increase in capital assets and net investment in capital assets was due to an increase in capital purchases. The increase in long term liabilities was due to increases in the net pension liability and landfill closure liability.

**Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023**



By far, the largest portion of the County's net position (74.2% or \$883.9) reflects its investment in capital assets (e.g., land, buildings and improvements, infrastructure, equipment, and intangibles), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported as net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

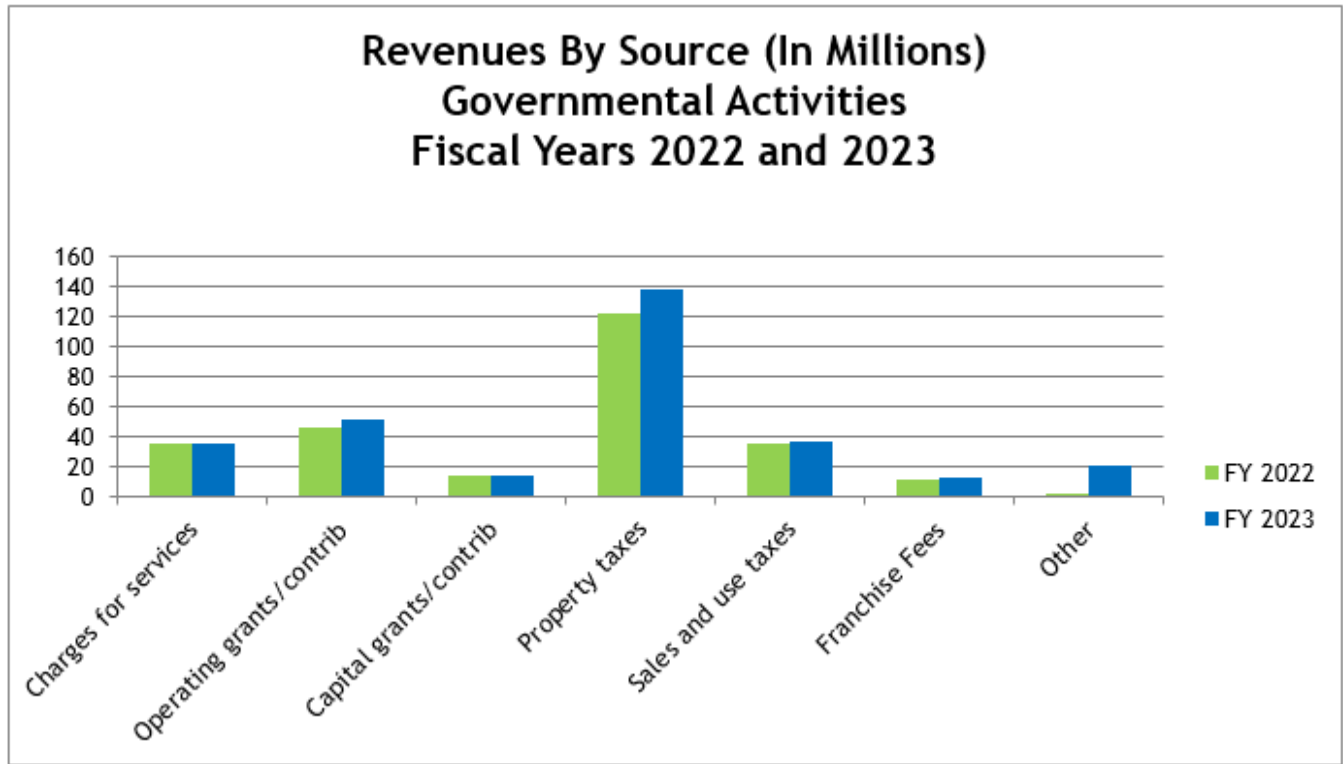
A portion of the County's net position (18.2% or \$217.2) represents resources that are subject to external restrictions on how they may be used. The remaining balance of the unrestricted net position (7.6% or \$90.2) may be used to meet the government's ongoing obligations to its citizens and creditors.

Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Indian River County Changes in Net Position (In Millions)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 34.9	\$ 35.8	\$ 73.4	\$ 69.0	\$ 108.3	\$ 104.8
Operating grants/contributions	50.7	46.1	-	-	50.7	46.1
Capital grants/contributions	13.7	14.4	9.5	10.8	23.2	25.2
General revenues:						
Property taxes	138.0	121.6	-	-	138.0	121.6
Sales taxes	37.2	35.6	-	-	37.2	35.6
Franchise fees	12.0	10.8	-	-	12.0	10.8
Other	20.8	1.6	5.0	(1.8)	25.8	(0.2)
Total revenues	<u>307.3</u>	<u>265.9</u>	<u>87.9</u>	<u>78.0</u>	<u>395.2</u>	<u>343.9</u>
Expenses:						
General government	41.6	35.1	-	-	41.6	35.1
Public safety	142.0	112.7	-	-	142.0	112.7
Physical environment	1.8	2.2	-	-	1.8	2.2
Transportation	37.0	31.0	-	-	37.0	31.0
Economic environment	0.7	1.0	-	-	0.7	1.0
Human services	13.1	11.6	-	-	13.1	11.6
Culture/recreation	37.4	17.8	-	-	37.4	17.8
Court related	9.5	7.4	-	-	9.5	7.4
Interest and fiscal charges	0.3	0.2	-	-	0.3	0.2
Water and sewer	-	-	49.1	46.7	49.1	46.7
Solid waste	-	-	21.4	18.6	21.4	18.6
Golf course	-	-	3.8	3.3	3.8	3.3
Building	-	-	6.2	5.4	6.2	5.4
Total expenses	<u>283.4</u>	<u>219.0</u>	<u>80.5</u>	<u>74.0</u>	<u>363.9</u>	<u>293.0</u>
Increase (decrease) in net position before transfers	23.9	46.9	7.4	4.0	31.3	50.9
Transfers	<u>(0.60)</u>	<u>(0.10)</u>	<u>0.60</u>	<u>0.10</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	23.3	46.8	8.0	4.1	31.3	50.9
Net position - beginning	831.2	784.4	328.8	324.7	1,160.0	1,109.1
Net position - ending	<u>\$ 854.5</u>	<u>\$ 831.2</u>	<u>\$ 336.8</u>	<u>\$ 328.8</u>	<u>\$ 1,191.3</u>	<u>\$ 1,160.0</u>

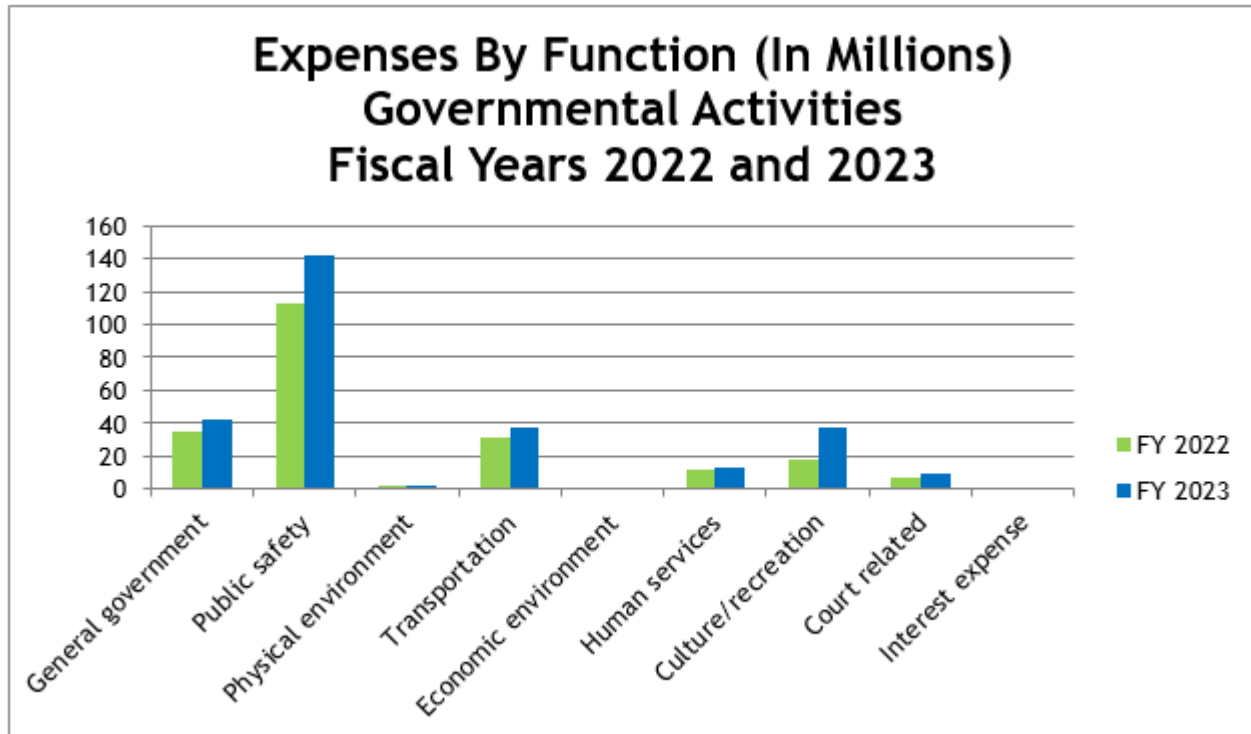
Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023



Governmental Activities

- Overall program revenues increased \$3.0 mainly due to increases in operating grants and contributions for road resurfacing and recovery from the COVID-19 pandemic.
- Overall general revenues increased by \$38.4 There was a \$16.4 increase in property tax collections, as a result of increased property tax values. There was a \$1.6 increase in sales taxes and a \$1.2 increase in franchise fees, both due to the improving economy. There was a \$19.2 increase in other revenues due to higher interest earnings in the improving economy.

Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023



- The governmental activities expenses were \$64.4 higher in 2023 than in 2022. This was mainly due to increases in general government (\$6.5) and public safety (\$29.3) due to increased pension expense, increases in transportation (\$6.0) due to increased depreciation for completed projects, and increases in culture/recreation (\$19.6) due to the impairment of the County's Sector 3 beach capital asset due to hurricane damage.

Business-type Activities

Business-type activities net position increased by \$8.0. Key elements of this increase are as follows:

- Overall program revenues increased \$3.1. This was due to a \$4.4 increase in charges for services which was offset by a \$1.3 decrease in capital grants and contributions. As the local economy began to improve from the pandemic, solid waste had increases in assessments and landfill charges; the building department had increases in permit revenue; the golf course had increases in rounds played; and the water and sewer department had increases in utilities sales revenues.
- Other revenues increased \$6.8 due to increased investment earnings.

**Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023**

- Overall expenses were \$6.5, or 8.8%, higher in 2023 than in 2022. The water and sewer utilities expenses were \$2.4 or 5.1% higher in 2023 than in 2022 mainly due to an increase in personal services. The solid waste expenses were \$2.8 or 15% higher in 2023 than in 2022 due to increased other contractual services and landfill closure costs. The golf course had \$0.5 or 15.2% higher expenses in 2023 than in 2022 due to increased operating expenses. The building department had \$0.8 or 14.8% higher expenses in 2023 than in 2022 due to increases in operating and personal services.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds

Unassigned fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year. Of the total fund balance, 28% (\$85.4) constitutes unassigned fund balance, which is available for spending at the County's discretion.

The remainder of fund balance is presented in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The County had fund balances in 1) a nonspendable category for inventories, prepaid items, and advances to other funds (\$1.2), 2) a restricted category for resources that are either restricted externally by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation (\$196.1), 3) a committed category for constraints imposed by approval of ordinances and contracts by the Board of County Commissioners (\$3.4), and 4) an assigned category for constraints by the County's intent to use for specific purposes (\$16.3).

Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023

The two largest restricted amounts are in the Impact Fees Fund with a \$31.4 restricted fund balance and the Optional Sales Tax Fund with a \$100.0 restricted fund balance. Thirty-five percent of the Impact Fees Fund (\$10.9) and thirty-five percent of the Optional Sales Tax Fund (\$34.6) is slated for major road expansions throughout the County in fiscal year 2024. The Optional Sales Tax Fund is a principal funding source in the five year Transportation Capital Improvement Program.

The County's governmental funds reported a combined fund balance of \$302.4, which is an increase of \$36.4 over the prior year of \$266.0. Contributing factors to the \$36.4 increase in fund balance are:

- Fund balance in the General Fund increased by \$11.1. This was due to increased property and sales taxes.
- Fund balance in the Impact Fees Fund decreased by \$5.1 due to increased transportation expenditures.
- Fund balance in the Transportation Fund increased by \$3.7 due to increased investment earnings and transfers.
- Fund balance in the Emergency Services District Fund increased by \$7.0 mainly due to an increase in tax revenues because of increasing home values.
- Fund balance in the Coastal Engineering Fund increased by \$1.8 due to decreased expenditures for beach renourishment projects.
- Fund balance in the American Rescue Plan Fund increased by \$0.8 due to increased interest earnings.
- Fund balance in the Optional Sales Tax Fund increased by \$15.8 due to decreased expenditures for transportation projects.

Proprietary funds

Unrestricted net position at the end of the year amounted to \$22.3 in the Solid Waste Disposal District (SWDD) Fund, \$2.8 in the Golf Course Fund, \$80.4 in the County Utilities Fund and \$3.4 in the County Building Fund. Other factors concerning the financial results of these funds have already been addressed in the discussion of the County's business-type activities.

**Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023**

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year there was a \$16.0 increase in operating appropriations between the original and final amended budget. The main components of the increase are as follows:

- \$10.7 grant appropriations and prior year rollovers for the Senior Resource Association (SRA) to provide County-wide public transportation
- \$2.0 for capital improvements

Actual revenues were \$5.1 higher than anticipated mainly due to increased investment income.

Actual expenditures were \$10.3 lower than anticipated for the following reasons:

- \$5.2 in SRA grant costs not yet expended
- \$2.2 in unspent funds for the 58th Avenue Ballfields renovations, Jones Pier, and other recreational improvements
- \$0.4 in unspent professional and other contractual services
- \$1.1 in unspent salary and benefits expenditures

The General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual is shown on page 33.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to \$901.9 (net of accumulated depreciation/amortization). This investment in capital assets includes land, right-of-way, buildings and improvements, intangibles, equipment, infrastructure and construction in progress. The overall increase in the County's investment in capital assets for the current fiscal year was 1.7%.

**Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023**

**Indian River County Capital Assets
(Net of Depreciation/Amortization, In Millions)**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 138.9	\$ 139.1	\$ 32.6	\$ 32.7	\$ 171.5	\$ 171.8
Right-of-way	72.6	69.8	-	-	72.6	69.8
Buildings and improvements	159.7	148.1	149.9	158.2	309.6	306.3
Equipment	25.4	31.4	16.4	5.2	41.8	36.6
Intangibles	6.6	2.5	3.0	2.7	9.6	5.2
Infrastructure	150.8	151.5	-	-	150.8	151.5
Construction in progress	116.8	117.2	29.2	28.2	146.0	145.4
Total	<u>\$ 670.8</u>	<u>\$ 659.6</u>	<u>\$ 231.1</u>	<u>\$ 227.0</u>	<u>\$ 901.9</u>	<u>\$ 886.6</u>

Governmental activities had the following major increases during the fiscal year:

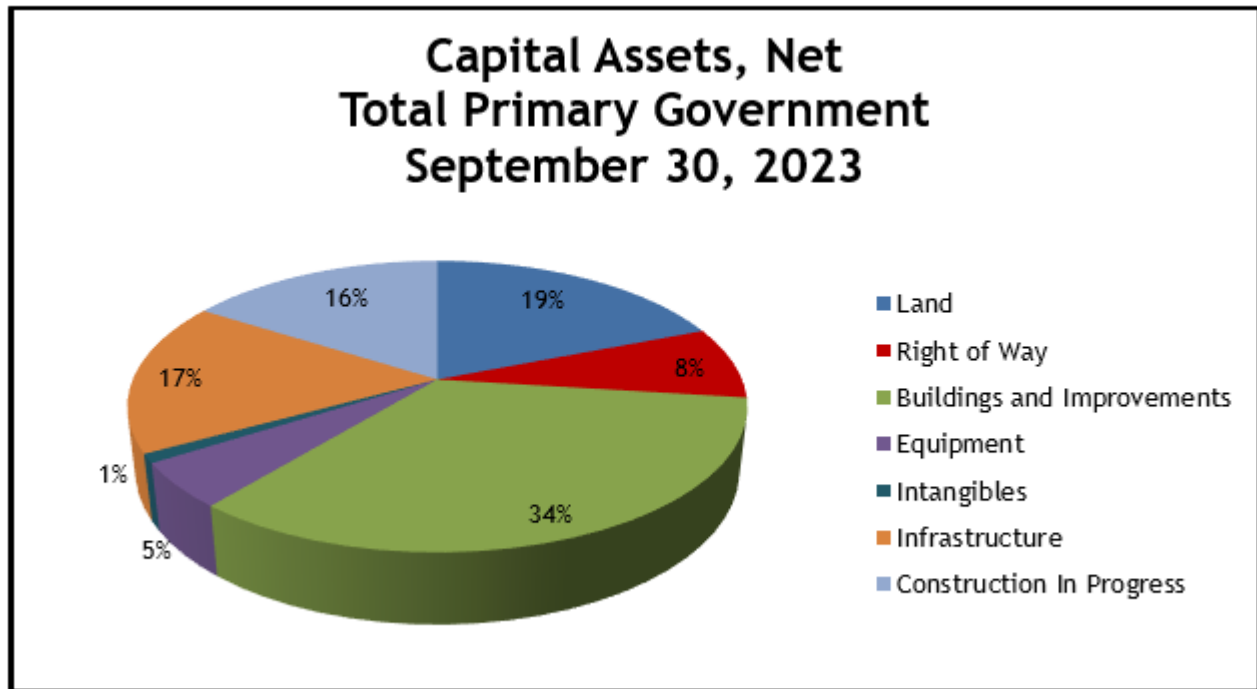
- An increase in right-of-way purchases for the widening of 66th Avenue and the future expansion of Aviation Boulevard.
- An increase in intangibles due primarily to the recognition of subscription assets with the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.
- An increase in buildings and improvements due to the completion of several capital projects such as the North County Library expansion, Tax Collector's office expansion, and improvements to the 800 MHz radio system for first responder communications.

Governmental activities major decreases occurred in equipment as a result of a change in the capitalization threshold for capital assets during the fiscal year.

Business-type activities had major increases in equipment due mostly to the completion of a project to add new water meters throughout the utility system.

Business-type activities only major decrease occurred in buildings and improvements as a result of increasing depreciation on existing assets.

Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023



Additional information on the County's capital assets can be found in Note 5 on pages 74-76 of this report.

Debt Administration

At the end of the current fiscal year, the County had total bonds outstanding of \$2.9. The revenue bonds represent bonds secured solely by specified revenue sources.

**Indian River County's Outstanding Revenue Bonds
(In Millions)**

	Governmental Activities	
	2023	2022
<u>Revenue Bonds/Notes:</u>		
Spring Training Facility, Series 2001	\$ 2.9	\$ 3.3
Total	<u>\$ 2.9</u>	<u>\$ 3.3</u>

Additional information can be found in Note 11 on pages 81-84 of this report.

**Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The effects of inflation have played a major role in cost escalation. The Consumer Price Index - South Urban (CPI) for April 2023 was 5.5%. Though inflation is lower than last year, it still impacts the costs to provide services. This has resulted in projected increases in fuel, electricity, chemicals, and building materials. The approved budget includes funding to address these increases, in order to maintain and enhance operations and delivery of government services.

In addition, the FY 2023/2024 budget was developed based on organizational needs and being more responsive to the needs of the community. Continued population growth leads to increased demand for public services. Recruitment and retention continue to be a challenge for local governments across the state and country. This budget funds an executive and senior management level reorganization.

The approved budget for fiscal year 2024 is \$506,901,540, a decrease of \$69,603,835 or 12.1% from the prior fiscal year. This is an increase of \$54,937,009 or 12.2% from the beginning budget of \$451,964,531 for fiscal year 2023. For the first time since the Great Recession, the budget surpasses the approved fiscal year 2007 budget of \$472,420,328 by \$34,481,212 or 7.3%.

The fiscal year 2024 taxroll is approximately \$3.22 billion or 13.8% higher than fiscal year 2023. Although this change in taxable values is positive, there is some uncertainty regarding future years' taxroll growth with the predicted economic slowdown.

The fiscal year 2024 millage rates remain unchanged from fiscal year 2023. The General Fund millage rate is 3.5475, the M.S.T.U. millage rate is 1.1506, and the Emergency Services District millage rate is 2.3531. The Aggregate millage rate increased 0.0021 mills or 0.01% to 6.1307 mills. This specific rate is not paid by any taxpayer, but is rather an average millage rate required to be shown for comparative purposes.

Due to the continuing need to increase the annual SWDD assessment to keep pace with increased costs, the County has reviewed the overall rate model to improve the financial sustainability of the Solid Waste Disposal District (SWDD). Changes will be implemented in two phases. Fifty percent of the change will be implemented in fiscal year 2023/2024 and the remaining fifty percent in fiscal year 2026/2027.

The Comprehensive Water, Wastewater, and Reclaimed Water Rate Study recommends an annual CPI adjustment of a maximum of 3.0%. However, the impacts of inflation have proven a 3.0% rate increase is insufficient to sustain the costs to operate, maintain and undertake capital improvements. As a result, the Board approved a CPI increase of 5.5% which is expected to generate approximately \$1.0 in additional revenue. The Board also approved a Utilities rate study to ensure the Utilities Fund is adequately and sustainably funded.

**Indian River County, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2023**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Clerk of the Circuit Court and Comptroller
Attention: Comptroller Division
1801 27th Street
Vero Beach, FL 32960

BASIC FINANCIAL STATEMENTS



Indian River County, Florida
Statement of Net Position
September 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 372,447,307	\$ 73,623,223	\$ 446,070,530
Receivables, net	33,224,719	9,939,219	43,163,938
Internal balances	(112,315)	112,315	-
Inventories	924,904	3,771,586	4,696,490
Prepaid items	3,628,198	49,740	3,677,938
Restricted assets:			
Cash and investments	340,000	50,957,366	51,297,366
Receivables, net	124,103	3,459,254	3,583,357
Capital assets:			
Not being depreciated	332,951,061	64,446,350	397,397,411
Being depreciated/amortized	801,655,682	535,868,905	1,337,524,587
Accumulated depreciation/amortization	(463,770,922)	(369,183,814)	(832,954,736)
Total assets	1,081,412,737	373,044,144	1,454,456,881
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	58,222	-	58,222
Deferred outflows related to pensions	38,681,983	2,260,042	40,942,025
Deferred outflows related to other postemployment benefits	4,927,472	452,182	5,379,654
Total deferred outflows of resources	43,667,677	2,712,224	46,379,901
LIABILITIES			
Payables	25,252,042	7,077,179	32,329,221
Deposits	2,532,149	3,998,005	6,530,154
Unearned revenues	14,895,399	1,819,485	16,714,884
Long-term debt:			
Due within one year from restricted assets	340,000	2,000,000	2,340,000
Due within one year	13,861,375	1,083,317	14,944,692
Due in more than one year from restricted assets	2,595,000	8,675,495	11,270,495
Due in more than one year	21,130,954	327,664	21,458,618
Net pension liability, due in more than one year	172,415,431	11,836,567	184,251,998
Net other postemployment benefits liability, due in more than one year	4,915,409	416,457	5,331,866
Total liabilities	257,937,759	37,234,169	295,171,928
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	6,902,233	236,027	7,138,260
Deferred inflows related to other postemployment benefits	4,602,449	529,175	5,131,624
Deferred inflows related to leases	1,202,614	913,326	2,115,940
Total deferred inflows of resources	12,707,296	1,678,528	14,385,824
NET POSITION			
Net investment in capital assets	655,873,502	227,983,165	883,856,667
Restricted for:			
Transportation/road projects	31,913,538	-	31,913,538
Public safety	44,989,125	-	44,989,125
Court related costs	3,309,661	-	3,309,661
Housing assistance	2,884,793	-	2,884,793
Capital projects	107,967,710	-	107,967,710
Beach renourishment	5,214,125	-	5,214,125
Culture/recreation	16,935,950	-	16,935,950
Debt service	640,124	-	640,124
Environmental conservation/preservation	870,185	-	870,185
Special assessment projects	2,414,243	-	2,414,243
Unrestricted (deficit)	(18,577,597)	108,860,506	90,282,909
Total net position	\$ 854,435,359	\$ 336,843,671	\$ 1,191,279,030

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Activities
For the Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for	Operating Grants and	Capital Grants and
Primary Government:		Services	Contributions	Contributions
Governmental activities:				
General government	\$ 41,626,673	\$ 10,376,723	\$ 22,653,515	\$ 70,829
Public safety	141,993,977	10,896,636	652,910	-
Physical environment	1,814,101	2,800	39,284	-
Transportation	36,963,699	6,812,792	10,337,569	13,476,235
Economic environment	674,082	-	11,028,031	-
Human services	13,123,521	219,518	5,375,807	-
Culture/recreation	37,409,145	3,150,385	343,374	111,142
Court related	9,517,049	3,407,508	313,217	-
Interest and fiscal charges	311,365	-	-	-
Total governmental activities	<u>283,433,612</u>	<u>34,866,362</u>	<u>50,743,707</u>	<u>13,658,206</u>
Business-type activities:				
Water and sewer	49,156,950	41,165,043	3	9,523,892
Solid waste	21,429,708	21,365,801	-	-
Golf course	3,779,685	4,877,674	-	-
Building	6,182,625	6,012,581	-	-
Total business-type activities	<u>80,548,968</u>	<u>73,421,099</u>	<u>3</u>	<u>9,523,892</u>
Total primary government	<u>\$ 363,982,580</u>	<u>\$ 108,287,461</u>	<u>\$ 50,743,710</u>	<u>\$ 23,182,098</u>

General revenues:
Property taxes, levied for general purposes
Sales and use taxes
Franchise fees, levied on gross receipts
Interest earnings
Miscellaneous
Transfers
Total general revenues and transfers
Change in net position
Net position - beginning
Net position - ending

The accompanying notes are an integral part of the financial statements.

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business-type Activities	Total
\$ (8,525,606)	\$ -	\$ (8,525,606)
(130,444,431)	-	(130,444,431)
(1,772,017)	-	(1,772,017)
(6,337,103)	-	(6,337,103)
10,353,949	-	10,353,949
(7,528,196)	-	(7,528,196)
(33,804,244)	-	(33,804,244)
(5,796,324)	-	(5,796,324)
(311,365)	-	(311,365)
(184,165,337)	-	(184,165,337)
-	1,531,988	1,531,988
-	(63,907)	(63,907)
-	1,097,989	1,097,989
-	(170,044)	(170,044)
-	2,396,026	2,396,026
(184,165,337)	2,396,026	(181,769,311)
138,007,231	-	138,007,231
37,235,294	-	37,235,294
12,022,990	-	12,022,990
15,746,989	4,952,135	20,699,124
5,010,486	64,291	5,074,777
(593,273)	593,273	-
207,429,717	5,609,699	213,039,416
23,264,380	8,005,725	31,270,105
831,170,979	328,837,946	1,160,008,925
\$ 854,435,359	\$ 336,843,671	\$ 1,191,279,030

Indian River County, Florida
Balance Sheet
Governmental Funds
September 30, 2023

	General	Impact Fees	Transportation
ASSETS			
Cash and investments	\$ 96,455,456	\$ 32,012,578	\$ 16,133,232
Accounts receivable - net	1,818,122	-	1,309
Leases receivable	1,186,364	-	-
Special assessments receivable	-	-	124,103
Due from other funds	4,243,991	-	-
Due from other governments	2,939,310	1,955,495	652,788
Interest receivable	344,976	116,197	179,881
Inventories	382,494	-	-
Prepays and other assets	380,377	531	35,838
Total assets	<u>\$ 107,751,090</u>	<u>\$ 34,084,801</u>	<u>\$ 17,127,151</u>
LIABILITIES			
Accounts payable	\$ 9,288,045	\$ 1,133,959	\$ 412,398
Retainage payable	4,650	741,613	-
Due to other funds	552,229	-	-
Due to other governments	2,254,324	94,385	-
Unearned revenues	740,514	-	-
Other deposits	564,416	-	-
Total liabilities	<u>13,404,178</u>	<u>1,969,957</u>	<u>412,398</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - special assessments	-	-	247,092
Unavailable revenue - ambulance services	-	-	-
Unavailable revenue - state and federal grants	1,045,034	677,651	385,969
Unavailable revenue - investment interest	189,404	65,008	31,828
Deferred inflows related to leases	1,152,016	-	-
Deferred inflows related to opioid settlements	-	-	-
Total deferred inflows of resources	<u>2,386,454</u>	<u>742,659</u>	<u>664,889</u>
FUND BALANCES			
Nonspendable:			
Inventories	382,494	-	-
Prepaid items	380,377	531	35,838
Restricted for:			
Transportation/road improvements	-	19,091,672	-
Court-related costs and improvements	-	-	-
Housing assistance	-	-	-
Law enforcement/public safety	-	746,455	-
Fire/emergency services	-	2,378,273	-
Tourism-related activities	-	-	-
Boating related projects	-	-	-
Land acquisition	-	-	-
Stormwater, street lighting, and other special assessments	-	-	-
Coronavirus assistance	-	-	-
Drug treatment/mental health services	-	-	-
Debt service	-	-	-
Capital projects	-	2,804,101	-
Dodgertown repairs/improvements	-	-	-
Parks/recreational projects	761,354	6,351,153	-
Committed to:			
Economic incentives	415,619	-	-
Environmental conservation/preservation	-	-	-
Law enforcement/public safety	-	-	-
Library services	17,862	-	-
Parks/recreational projects	147,955	-	-
Assigned to:			
Law enforcement/public safety	-	-	-
Coronavirus assistance	-	-	-
Transportation/road improvements	-	-	16,014,026
Unassigned (deficit)	89,854,797	-	-
Total fund balances	<u>91,960,458</u>	<u>31,372,185</u>	<u>16,049,864</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 107,751,090</u>	<u>\$ 34,084,801</u>	<u>\$ 17,127,151</u>

The accompanying notes are an integral part of the financial statements.

Emergency Services District	Coastal Engineering	American Rescue Plan	Optional Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 31,105,212	\$ 115,524	\$ 14,425,968	\$ 100,482,464	\$ 39,627,623	\$ 330,358,057
4,264,412	-	-	50,000	582,596	6,716,439
-	-	-	-	53,832	1,240,196
-	-	-	-	-	124,103
407,062	-	-	-	128,527	4,779,580
347,945	9,243,355	-	4,790,009	3,629,201	23,558,103
118,318	-	60,103	354,540	122,493	1,296,508
102,053	-	-	-	31,567	516,114
114,899	-	-	-	145,209	676,854
<u>\$ 36,459,901</u>	<u>\$ 9,358,879</u>	<u>\$ 14,486,071</u>	<u>\$ 105,677,013</u>	<u>\$ 44,321,048</u>	<u>\$ 369,265,954</u>
\$ 1,262,853	\$ 182,854	\$ 1,215,822	\$ 2,607,174	\$ 1,571,811	\$ 17,674,916
6,162	-	261,591	1,240,121	381,068	2,635,205
-	4,000,000	-	-	347,514	4,899,743
-	-	-	-	421	2,349,130
37,147	-	12,147,787	-	1,969,951	14,895,399
-	-	-	-	1,965,100	2,529,516
<u>1,306,162</u>	<u>4,182,854</u>	<u>13,625,200</u>	<u>3,847,295</u>	<u>6,235,865</u>	<u>44,983,909</u>
-	-	-	-	-	247,092
3,428,996	-	-	-	-	3,428,996
347,946	9,243,354	-	1,624,346	907,262	14,231,562
66,194	-	33,625	201,879	68,507	656,445
-	-	-	-	50,598	1,202,614
-	-	-	-	2,093,787	2,093,787
<u>3,843,136</u>	<u>9,243,354</u>	<u>33,625</u>	<u>1,826,225</u>	<u>3,120,154</u>	<u>21,860,496</u>
102,053	-	-	-	31,567	516,114
114,899	-	-	-	145,209	676,854
-	-	-	-	9,136,564	28,228,236
-	-	-	-	1,045,403	1,045,403
-	-	-	-	2,864,121	2,864,121
-	-	-	-	5,461,577	6,208,032
31,093,651	-	-	-	-	33,471,924
-	-	-	-	3,033,433	3,033,433
-	-	-	-	1,414,382	1,414,382
-	-	-	-	870,185	870,185
-	-	-	-	2,414,243	2,414,243
-	-	827,246	-	-	827,246
-	-	-	-	73,355	73,355
-	-	-	-	640,124	640,124
-	-	-	100,003,493	-	102,807,594
-	-	-	-	5,073,324	5,073,324
-	-	-	-	-	7,112,507
-	-	-	-	-	415,619
-	-	-	-	2,753,059	2,753,059
-	-	-	-	37,232	37,232
-	-	-	-	-	17,862
-	-	-	-	-	147,955
-	-	-	-	236,223	236,223
-	-	-	-	80,690	80,690
-	-	-	-	-	16,014,026
-	(4,067,329)	-	-	(345,662)	85,441,806
<u>31,310,603</u>	<u>(4,067,329)</u>	<u>827,246</u>	<u>100,003,493</u>	<u>34,965,029</u>	<u>302,421,549</u>
<u>\$ 36,459,901</u>	<u>\$ 9,358,879</u>	<u>\$ 14,486,071</u>	<u>\$ 105,677,013</u>	<u>\$ 44,321,048</u>	<u>\$ 369,265,954</u>

Indian River County, Florida
Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
September 30, 2023

Total governmental fund balances	\$ 302,421,549
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.	668,466,969
Long-term liabilities, including bonds payable (\$2,935,000), deferred charge on refunding (\$58,222), accrued compensated absences (\$17,586,553), leases/SBITA payable (\$3,876,602), accrued interest payable (\$104,164), and accrued pollution remediation costs (\$1,110,000) are not due and payable in the current period and, therefore, not reported in the funds.	(25,554,097)
On the governmental fund statements, a net pension or OPEB plan liability is not recorded until an amount is due and payable and the plan's fiduciary net position is not sufficient for payment of those benefits. On the statement of net position, the County's proportionate share of the net pension liability (\$170,859,668) of the cost-sharing defined benefit pension plans in which the County participates is reported. The County's net OPEB liability (\$4,855,743) of the single employer defined benefit plan is also reported on the statement of net position. Additionally, deferred outflows (\$38,404,155) and deferred inflows (\$6,810,210) related to pensions and deferred outflows (\$4,861,859) and deferred inflows (\$4,541,733) related to OPEB are also reported.	(143,801,340)
Special assessments, ambulance services, state and federal grant receivables and opioid settlements receivables, are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	20,001,437
Accrued interest receivable is not recognized in the current period because the resources are not available and, therefore, not reported in the funds.	656,445
Internal service funds are used by management to charge the costs of certain activities, such as insurance, fleet, and information technology services, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	<u>32,244,396</u>
Net position of governmental activities	<u><u>\$ 854,435,359</u></u>

The accompanying notes are an integral part of the financial statements.



Indian River County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2023

	General	Impact Fees	Transportation
REVENUES			
Taxes	\$ 95,633,541	\$ -	\$ -
Permits, fees and special assessments	12,433,272	7,575,739	466,081
Intergovernmental	25,740,310	3,607,263	3,295,469
Charges for services	10,008,290	-	95,602
Judgments, fines and forfeits	1,441,395	-	500
Investment income	4,794,122	1,352,546	549,290
Miscellaneous	5,162,865	11,175	533,758
Total revenues	<u>155,213,795</u>	<u>12,546,723</u>	<u>4,940,700</u>
EXPENDITURES			
Current:			
General government	29,022,302	303,806	454,262
Public safety	68,621,979	56,982	-
Physical environment	380,223	-	1,352,098
Transportation	6,223,913	15,897,170	15,329,965
Economic environment	514,021	-	-
Human services	6,674,165	-	-
Culture/recreation	13,154,863	1,161,976	-
Court related	7,887,231	-	-
Debt service:			
Principal	1,201,672	-	194
Interest and other fiscal charges	12,826	-	50
Capital projects	-	-	-
Total expenditures	<u>133,693,195</u>	<u>17,419,934</u>	<u>17,136,569</u>
Excess of revenues over (under) expenditures	<u>21,520,600</u>	<u>(4,873,211)</u>	<u>(12,195,869)</u>
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	11,933	-	-
Transfers in	3,061,544	-	16,120,474
Transfers out	(16,355,887)	(217,135)	(218,050)
Lease financings	124,084	-	-
SBITA financings	2,710,293	-	-
Total other financing sources (uses)	<u>(10,448,033)</u>	<u>(217,135)</u>	<u>15,902,424</u>
Net change in fund balances	11,072,567	(5,090,346)	3,706,555
Fund balances at beginning of year	<u>80,887,891</u>	<u>36,462,531</u>	<u>12,343,309</u>
Fund balances at end of year	<u>\$ 91,960,458</u>	<u>\$ 31,372,185</u>	<u>\$ 16,049,864</u>

The accompanying notes are an integral part of the financial statements.

Emergency Services District	Coastal Engineering	American Rescue Plan	Optional Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 43,687,811	\$ 2,244,347	\$ -	\$ 27,193,546	\$ 6,483,280	\$ 175,242,525
-	-	-	-	517,614	20,992,706
75,764	914,608	10,670,424	4,260,609	12,792,494	61,356,941
8,922,318	-	-	-	1,738,841	20,765,051
7,850	-	-	-	1,120,491	2,570,236
1,533,533	-	751,633	3,453,365	1,253,359	13,687,848
92,889	104	-	-	2,392,446	8,193,237
54,320,165	3,159,059	11,422,057	34,907,520	26,298,525	302,808,544
-	-	1,368,101	-	1,560,275	32,708,746
46,283,992	-	18,017	-	3,680,725	118,661,695
-	-	7,027,118	-	217,997	8,977,436
-	-	1,248,894	-	9,282,098	47,982,040
-	-	68,750	-	71,523	654,294
-	-	939,544	-	5,474,192	13,087,901
-	1,947,908	-	-	3,691,192	19,955,939
-	-	-	-	780,183	8,667,414
70,503	-	-	-	556,695	1,829,064
11,652	-	-	-	159,233	183,761
-	-	-	16,166,045	-	16,166,045
46,366,147	1,947,908	10,670,424	16,166,045	25,474,113	268,874,335
7,954,018	1,211,151	751,633	18,741,475	824,412	33,934,209
-	-	-	-	-	11,933
-	562,714	-	-	1,440,275	21,185,007
(1,054,189)	-	-	(2,959,392)	(1,020,116)	(21,824,769)
-	-	-	-	5,145	129,229
110,086	-	-	-	110,498	2,930,877
(944,103)	562,714	-	(2,959,392)	535,802	2,432,277
7,009,915	1,773,865	751,633	15,782,083	1,360,214	36,366,486
24,300,688	(5,841,194)	75,613	84,221,410	33,604,815	266,055,063
\$ 31,310,603	\$ (4,067,329)	\$ 827,246	\$ 100,003,493	\$ 34,965,029	\$ 302,421,549

Indian River County, Florida
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended September 30, 2023

Net change in fund balances - total governmental funds \$ 36,366,486

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Expenditures for capital assets	59,064,083	
Less current year loss on assets	(4,204,429)	
Less current year depreciation/amortization	<u>(45,654,382)</u>	9,205,272

Payments of bond and note principal, pollution remediation, leases and SBITA costs are expenditures in the governmental funds, but the payment reduces long-term liabilities in the statement of net position. The issuance of long-term debt provides current financial resources to governmental funds but issuing debt increases long-term liabilities in the statement of net position.

Bond principal payment	320,000	
Lease financing proceeds	(129,229)	
Lease principal payments	205,506	
SBITA financing proceeds	(2,930,877)	
SBITA principal payments	1,303,558	
Pollution remediation costs	<u>500,000</u>	(731,042)

Changes in accrued compensated absences do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (1,709,447)

Governmental funds report interest expenditures based on when they are paid.

The statement of activities reports these expenses as they are incurred. This is the net number of the prior year and current year accrual.

Deferred charge on refunding amortization expense	(7,277)	
Accrued lease interest expense	(2,141)	
Accrued SBITA interest expense	<u>(102,023)</u>	(111,441)

Governmental funds report contributions in defined benefit pension plans as expenditures.

However, in the statement of activities, the amount contributed to defined benefit pension plans reduces future net pension liabilities and is reported as part of deferred outflows of resources. (24,068,071)

In the statement of activities, pension expense is recorded for the County's proportionate share of collective pension expense of the cost-sharing defined benefit plans in which the County participates. Also included in the statement of activities is the County's OPEB expense for the single employer defined benefit plan. (432,147)

Internal service funds are used by management to charge the costs of insurance, fleet and information technology services to individual funds. The net costs of the internal service funds are reported in governmental activities. 3,578,832

Governmental funds report non-exchange transactions when the applicable eligibility requirements have been met and resources are available. However, in the statement of activities, non-exchange transactions are recognized when the eligibility requirements are met. This is the net number of the prior year and current year accrual. 672,340

Some interest revenues reported in the statement of activities do not provide current financial resources, therefore, are not reported as revenues in governmental funds. This is the net number of the prior year and current year accrual. 493,598

Change in net position of governmental activities \$ 23,264,380

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes	\$ 94,164,244	\$ 94,164,244	\$ 95,633,541	\$ 1,469,297
Permits, fees and special assessments	10,102,300	10,102,300	12,433,272	2,330,972
Intergovernmental	17,984,802	28,904,262	25,740,310	(3,163,952)
Charges for services	11,760,511	10,472,455	10,008,290	(464,165)
Judgments, fines and forfeits	1,339,026	1,339,026	1,441,395	102,369
Investment income	199,178	199,178	4,794,122	4,594,944
Miscellaneous	4,686,624	4,956,874	5,162,865	205,991
Total revenues	<u>140,236,685</u>	<u>150,138,339</u>	<u>155,213,795</u>	<u>5,075,456</u>
EXPENDITURES				
Current:				
General government	31,024,891	32,906,994	29,022,302	3,884,692
Public safety	67,811,248	68,970,799	68,621,979	348,820
Physical environment	455,579	485,604	380,223	105,381
Transportation	790,385	11,447,975	6,223,913	5,224,062
Economic environment	513,866	534,585	514,021	20,564
Human services	6,818,597	6,915,874	6,674,165	241,709
Culture/recreation	13,229,945	15,406,266	13,154,863	2,251,403
Court related	7,292,459	7,262,243	7,887,231	(624,988)
Debt service:				
Principal	-	17,396	1,201,672	(1,184,276)
Interest and other fiscal charges	-	4,468	12,826	(8,358)
Total expenditures	<u>127,936,970</u>	<u>143,952,204</u>	<u>133,693,195</u>	<u>10,259,009</u>
Excess of revenues over (under) expenditures	<u>12,299,715</u>	<u>6,186,135</u>	<u>21,520,600</u>	<u>15,334,465</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	11,933	11,933
Transfers in	1,991,560	3,131,714	3,061,544	(70,170)
Transfers out	(16,355,887)	(16,355,887)	(16,355,887)	-
Lease financings	-	-	124,084	124,084
SBITA financings	-	-	2,710,293	2,710,293
Total other financing sources (uses)	<u>(14,364,327)</u>	<u>(13,224,173)</u>	<u>(10,448,033)</u>	<u>2,776,140</u>
Net change in fund balances	(2,064,612)	(7,038,038)	11,072,567	<u>\$ 18,110,605</u>
Fund balances at beginning of year	<u>2,064,612</u>	<u>7,038,038</u>	<u>80,887,891</u>	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,960,458</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Impact Fees Fund
For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Permits, fees and special assessments	\$ 7,493,980	\$ 7,493,980	\$ 7,575,739	\$ 81,759
Intergovernmental	-	743,151	3,607,263	2,864,112
Investment income	11,400	11,400	1,352,546	1,341,146
Miscellaneous	-	-	11,175	11,175
Total revenues	<u>7,505,380</u>	<u>8,248,531</u>	<u>12,546,723</u>	<u>4,298,192</u>
EXPENDITURES				
General government	407,294	1,187,761	303,806	883,955
Public safety	1,795,000	1,348,998	56,982	1,292,016
Transportation	12,684,456	27,720,400	15,897,170	11,823,230
Culture/recreation	1,490,000	4,492,197	1,161,976	3,330,221
Total expenditures	<u>16,376,750</u>	<u>34,749,356</u>	<u>17,419,934</u>	<u>17,329,422</u>
Excess of revenues over (under) expenditures	<u>(8,871,370)</u>	<u>(26,500,825)</u>	<u>(4,873,211)</u>	<u>21,627,614</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(300,000)</u>	<u>(850,000)</u>	<u>(217,135)</u>	<u>632,865</u>
Total other financing sources (uses)	<u>(300,000)</u>	<u>(850,000)</u>	<u>(217,135)</u>	<u>632,865</u>
Net change in fund balances	<u>(9,171,370)</u>	<u>(27,350,825)</u>	<u>(5,090,346)</u>	<u>\$ 22,260,479</u>
Fund balances at beginning of year	<u>9,171,370</u>	<u>27,350,825</u>	<u>36,462,531</u>	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,372,185</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Transportation Fund
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Permits, fees and special assessments	\$ 544,350	\$ 544,350	\$ 466,081	\$ (78,269)
Intergovernmental	3,035,250	3,035,250	3,295,469	260,219
Charges for services	101,650	101,650	95,602	(6,048)
Judgments, fines and forfeits	-	-	500	500
Investment income	22,325	22,325	549,290	526,965
Miscellaneous	392,500	392,500	533,758	141,258
Total revenues	<u>4,096,075</u>	<u>4,096,075</u>	<u>4,940,700</u>	<u>844,625</u>
EXPENDITURES				
General government	450,623	922,332	454,262	468,070
Physical environment	1,950,706	2,176,189	1,352,098	824,091
Transportation	18,060,901	19,246,235	15,329,965	3,916,270
Debt Service:				
Principal	-	195	194	1
Interest and other fiscal charges	-	51	50	1
Total expenditures	<u>20,462,230</u>	<u>22,345,002</u>	<u>17,136,569</u>	<u>5,208,433</u>
Excess of revenues over (under) expenditures	<u>(16,366,155)</u>	<u>(18,248,927)</u>	<u>(12,195,869)</u>	<u>6,053,058</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	16,120,474	16,120,474	16,120,474	-
Transfers out	(218,050)	(218,050)	(218,050)	-
Total other financing sources (uses)	<u>15,902,424</u>	<u>15,902,424</u>	<u>15,902,424</u>	<u>-</u>
Net change in fund balances	(463,731)	(2,346,503)	3,706,555	<u>\$ 6,053,058</u>
Fund balances at beginning of year	<u>463,731</u>	<u>2,346,503</u>	<u>12,343,309</u>	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,049,864</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Emergency Services District Fund
For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes	\$ 43,064,066	\$ 43,064,066	\$ 43,687,811	\$ 623,745
Intergovernmental	57,000	93,014	75,764	(17,250)
Charges for services	7,366,456	7,870,108	8,922,318	1,052,210
Judgments, fines and forfeits	7,600	7,600	7,850	250
Investment income	52,250	52,250	1,533,533	1,481,283
Miscellaneous	190	190	92,889	92,699
Total revenues	<u>50,547,562</u>	<u>51,087,228</u>	<u>54,320,165</u>	<u>3,232,937</u>
EXPENDITURES				
Current:				
Public safety	47,366,634	56,250,391	46,283,992	9,966,399
Debt Service:				
Principal	-	70,504	70,503	1
Interest and other fiscal charges	-	11,652	11,652	-
Total expenditures	<u>47,366,634</u>	<u>56,332,547</u>	<u>46,366,147</u>	<u>9,966,400</u>
Excess of revenues over (under) expenditures	<u>3,180,928</u>	<u>(5,245,319)</u>	<u>7,954,018</u>	<u>13,199,337</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,051,398)	(1,123,421)	(1,054,189)	69,232
SBITA financings	-	-	110,086	110,086
Total other financing sources (uses)	<u>(1,051,398)</u>	<u>(1,123,421)</u>	<u>(944,103)</u>	<u>179,318</u>
Net change in fund balances	2,129,530	(6,368,740)	7,009,915	<u>\$ 13,378,655</u>
Fund balances at beginning of year	<u>(2,129,530)</u>	<u>6,368,740</u>	<u>24,300,688</u>	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,310,603</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Coastal Engineering Fund
For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes	\$ 1,567,386	\$ 1,567,386	\$ 2,244,347	\$ 676,961
Intergovernmental	-	-	914,608	914,608
Miscellaneous	-	-	104	104
Total revenues	<u>1,567,386</u>	<u>1,567,386</u>	<u>3,159,059</u>	<u>1,591,673</u>
EXPENDITURES				
Culture/recreation	<u>2,568,461</u>	<u>3,324,123</u>	<u>1,947,908</u>	<u>1,376,215</u>
Total expenditures	<u>2,568,461</u>	<u>3,324,123</u>	<u>1,947,908</u>	<u>1,376,215</u>
Excess of revenues over (under) expenditures	<u>(1,001,075)</u>	<u>(1,756,737)</u>	<u>1,211,151</u>	<u>2,967,888</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>188,924</u>	<u>188,924</u>	<u>562,714</u>	<u>373,790</u>
Total other financing sources (uses)	<u>188,924</u>	<u>188,924</u>	<u>562,714</u>	<u>373,790</u>
Net change in fund balances	(812,151)	(1,567,813)	1,773,865	<u>\$ 3,341,678</u>
Fund balances at beginning of year	<u>812,151</u>	<u>1,567,813</u>	<u>(5,841,194)</u>	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,067,329)</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
American Rescue Plan Fund
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 10,670,424	\$ 10,670,424
Investment income	-	-	751,633	751,633
Total revenues	-	-	11,422,057	11,422,057
EXPENDITURES				
General government	-	4,827,904	1,368,101	3,459,803
Public safety	-	2,204,626	18,017	2,186,609
Physical environment	-	8,000,000	7,027,118	972,882
Transportation	-	2,979,119	1,248,894	1,730,225
Economic environment	-	68,750	68,750	-
Human services	-	4,737,812	939,544	3,798,268
Total expenditures	-	22,818,211	10,670,424	12,147,787
Net change in fund balances	-	(22,818,211)	751,633	\$ 23,569,844
Fund balances at beginning of year	-	22,818,211	75,613	
Fund balances at end of year	\$ -	\$ -	\$ 827,246	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Fund Net Position
Proprietary Funds
September 30, 2023

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	Solid Waste Disposal District	Golf Course	County Utilities	County Building	Total	
ASSETS						
Current assets:						
Cash and investments	\$ 23,943,319	\$ 3,373,575	\$ 38,994,907	\$ 7,311,422	\$ 73,623,223	\$ 42,429,250
Accounts receivable - net	258,523	3,156	4,572,075	225	4,833,979	224,571
Due from other funds	133,306	-	-	-	133,306	7,848
Due from other governments	48,167	637	2,707,431	1,205	2,757,440	43,666
Leases receivable	-	-	944,759	-	944,759	-
Interest receivable	93,708	12,133	347,495	26,256	479,592	145,236
Inventories	-	187,900	3,583,686	-	3,771,586	408,790
Prepays and other assets	2,233	16,000	23,660	7,847	49,740	2,951,344
Current restricted assets:						
Cash and investments	11,413,238	-	39,544,128	-	50,957,366	-
Total current assets	35,892,494	3,593,401	90,718,141	7,346,955	137,550,991	46,210,705
Non-current assets:						
Capital assets - non-depreciable	15,482,818	7,266,836	41,696,696	-	64,446,350	337,699
Capital assets - depreciable	40,145,981	5,504,603	488,488,050	1,730,271	535,868,905	6,126,772
Capital assets - accumulated depreciation/amortization	(21,316,931)	(2,813,797)	(344,487,431)	(565,655)	(369,183,814)	(4,095,619)
Non-current restricted assets:						
Special assessments receivable	-	-	1,019,867	-	1,019,867	-
Impact fees receivable	-	-	985,405	-	985,405	-
Liens receivable	-	-	2,377,431	-	2,377,431	-
Total non-current assets	34,311,868	9,957,642	190,080,018	1,164,616	235,514,144	2,368,852
Total assets	70,204,362	13,551,043	280,798,159	8,511,571	373,065,135	48,579,557
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	139,759	119,395	1,676,840	324,048	2,260,042	277,828
Deferred outflows related to other postemployment benefits	26,856	7,175	336,058	82,093	452,182	65,613
Total deferred outflows of resources	166,615	126,570	2,012,898	406,141	2,712,224	343,441
LIABILITIES						
Current liabilities (payable from current assets):						
Accounts payable	4,232,651	83,152	1,656,672	341,933	6,314,408	2,477,303
Retainage payable	108,954	-	416,538	-	525,492	-
Due to other funds	-	20,991	-	-	20,991	-
Claims payable	-	-	-	-	-	3,934,000
Due to other governments	-	13,762	33,928	38,796	86,486	-
Other deposits	12,500	1,000	248,922	-	262,422	2,633
Unearned revenues	-	139,433	4,962	1,675,090	1,819,485	-
Pollution remediation costs payable	-	-	70,000	-	70,000	-
Accrued compensated absences	75,016	30,585	679,737	127,669	913,007	134,612
SBITA liability	-	-	45,130	55,180	100,310	807,315
Total current liabilities (payable from current assets)	4,429,121	288,923	3,155,889	2,238,668	10,112,601	7,355,863
Current liabilities (payable from restricted assets):						
Accounts payable	-	-	148,431	-	148,431	-
Accrued interest payable	-	-	2,087	275	2,362	11,324
Closure and maintenance costs payable	2,000,000	-	-	-	2,000,000	-
Customer deposits	237,743	-	3,497,840	-	3,735,583	-
Total current liabilities (payable from restricted assets)	2,237,743	-	3,648,358	275	5,886,376	11,324
Total current liabilities	6,666,864	288,923	6,804,247	2,238,943	15,998,977	7,367,187
Non-current liabilities:						
Accrued compensated absences	38,441	52,944	92,216	51,608	235,209	120,523
Claims payable	-	-	-	-	-	7,422,724
Closure and maintenance costs payable	8,675,495	-	-	-	8,675,495	-
Net pension liability	685,065	563,057	8,621,520	1,966,925	11,836,567	1,555,763
Net other postemployment benefits liability	25,650	6,031	308,564	76,212	416,457	59,666
SBITA liability	-	-	49,765	42,690	92,455	-
Total non-current liabilities	9,424,651	622,032	9,072,065	2,137,435	21,256,183	9,158,676
Total liabilities	16,091,515	910,955	15,876,312	4,376,378	37,255,160	16,525,863
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	2,869	18,461	210,176	4,521	236,027	92,023
Deferred inflows related to other postemployment benefits	31,757	10,475	396,578	90,365	529,175	60,716
Deferred inflows related to leases	-	-	913,326	-	913,326	-
Total deferred inflows of resources	34,626	28,936	1,520,080	94,886	1,678,528	152,739
NET POSITION						
Net investment in capital assets	31,918,654	9,940,840	185,056,925	1,066,746	227,983,165	1,539,837
Unrestricted (deficit)	22,326,182	2,796,882	80,357,740	3,379,702	108,860,506	30,704,559
Total net position	\$ 54,244,836	\$ 12,737,722	\$ 265,414,665	\$ 4,446,448	\$ 336,843,671	\$ 32,244,396

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2023

	Business-type Activities -	
	Solid Waste Disposal District	Golf Course
OPERATING REVENUES		
Charges for services	\$ 21,365,801	\$ 4,877,674
Total operating revenues	<u>21,365,801</u>	<u>4,877,674</u>
OPERATING EXPENSES		
Personal services	1,184,360	834,287
Material, supplies, services and other operating	18,715,598	2,620,599
Depreciation	1,504,828	288,252
Total operating expenses	<u>21,404,786</u>	<u>3,743,138</u>
Operating income (loss)	<u>(38,985)</u>	<u>1,134,536</u>
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental	-	-
Investment income	1,555,711	125,559
Insurance recoveries	-	-
Lease revenue	-	-
Gain on disposal of assets	-	2,624
Interest expense	-	(1,765)
Loss on disposal of assets	(24,922)	(34,782)
Total nonoperating revenues (expenses)	<u>1,530,789</u>	<u>91,636</u>
Income (loss) before transfers and capital grants and contributions	1,491,804	1,226,172
Capital grants and contributions	-	-
Transfers	-	-
Change in net position	<u>1,491,804</u>	<u>1,226,172</u>
Total net position - beginning	52,753,032	11,511,550
Total net position - ending	<u>\$ 54,244,836</u>	<u>\$ 12,737,722</u>

The accompanying notes are an integral part of the financial statements.

Enterprise Funds			Governmental
County Utilities	County Building	Total	Activities - Internal Service Funds
\$ 40,827,333	\$ 6,012,581	\$ 73,083,389	\$ 41,950,544
40,827,333	6,012,581	73,083,389	41,950,544
13,238,994	3,581,928	18,839,569	5,325,727
22,218,193	2,492,904	46,047,294	33,385,797
13,144,717	95,190	15,032,987	1,124,988
48,601,904	6,170,022	79,919,850	39,836,512
(7,774,571)	(157,441)	(6,836,461)	2,114,032
3	-	3	-
2,994,783	276,082	4,952,135	1,564,493
5,227	-	5,227	5,943
332,483	-	332,483	-
61,667	-	64,291	326
(2,087)	(904)	(4,756)	(16,163)
(552,959)	(11,699)	(624,362)	(151,367)
2,839,117	263,479	4,725,021	1,403,232
(4,935,454)	106,038	(2,111,440)	3,517,264
9,523,892	-	9,523,892	15,079
593,273	-	593,273	46,489
5,181,711	106,038	8,005,725	3,578,832
260,232,954	4,340,410	328,837,946	28,665,564
\$ 265,414,665	\$ 4,446,448	\$ 336,843,671	\$ 32,244,396

Indian River County, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2023

	Business-type Activities -	
	Solid Waste Disposal District	Golf Course
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 21,359,429	\$ 4,898,460
Cash paid to suppliers for goods and services	(16,295,956)	(2,628,609)
Cash paid to employees for services	(1,058,122)	(746,507)
Net cash provided by (used in) operating activities	4,005,351	1,523,344
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers	-	-
Operating grants	13,000	1,665
Insurance recoveries	-	-
Lease revenue	-	-
Net cash provided by (used in) noncapital financing activities	13,000	1,665
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal payments on long-term debt	-	-
Interest paid on long-term debt	-	(1,765)
Proceeds on advances from other funds	-	-
Payments on advances from other funds	-	(82,408)
Proceeds from sales of capital assets	-	2,624
Purchase of capital assets	(1,321,645)	(443,635)
Capital contributed by others	-	-
Net cash flows provided by (used in) capital and related financing activities	(1,321,645)	(525,184)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends on investments	1,486,676	115,822
Net cash used in investing activities	1,486,676	115,822
Net increase (decrease) in cash and investments	4,183,382	1,115,647
Cash and investments at beginning of year	31,173,175	2,257,928
Cash and investments at end of year	\$ 35,356,557	\$ 3,373,575
Classified as:		
Current assets	\$ 23,943,319	\$ 3,373,575
Restricted assets	11,413,238	-
Total	\$ 35,356,557	\$ 3,373,575

The accompanying notes are an integral part of the financial statements.

Enterprise Funds			Governmental
County Utilities	County Building	Total	Activities - Internal Service Funds
\$ 43,024,434	\$ 5,698,605	\$ 74,980,928	\$ 42,576,996
(25,279,720)	(2,413,524)	(46,617,809)	(33,127,959)
(11,983,312)	(3,194,827)	(16,982,768)	(4,994,778)
5,761,402	90,254	11,380,351	4,454,259
593,273	-	593,273	46,489
22,252	-	36,917	-
5,227	-	5,227	5,943
332,483	-	332,483	-
953,235	-	967,900	52,432
(82,782)	(13,781)	(96,563)	(485,482)
-	(629)	(2,394)	(4,839)
-	-	-	(35,000)
-	-	(82,408)	-
61,667	-	64,291	326
(14,808,850)	-	(16,574,130)	(644,441)
3,025,193	-	3,025,193	-
(11,804,772)	(14,410)	(13,666,011)	(1,169,436)
2,818,596	257,160	4,678,254	1,456,389
2,818,596	257,160	4,678,254	1,456,389
(2,271,539)	333,004	3,360,494	4,793,644
80,810,574	6,978,418	121,220,095	37,635,606
\$ 78,539,035	\$ 7,311,422	\$ 124,580,589	\$ 42,429,250
\$ 38,994,907	\$ 7,311,422	\$ 73,623,223	\$ 42,429,250
39,544,128	-	50,957,366	-
\$ 78,539,035	\$ 7,311,422	\$ 124,580,589	\$ 42,429,250

Continued

Indian River County, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2023

	Business-type Activities -	
	Solid Waste Disposal District	Golf Course
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Operating income (loss)	\$ (38,985)	\$ 1,134,536
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation	1,504,828	288,252
(Increase) Decrease in assets:		
Accounts receivable	(40,388)	(577)
Due from other funds	(18,986)	-
Due from other governments	502	-
Inventories	-	(35,011)
Liens receivable	-	-
Impact fees receivable	-	-
Special assessments receivable	-	-
Leases receivable	-	-
Prepaid items	(2,233)	(1,000)
Increase (Decrease) in liabilities:		
Accounts payable	466,921	25,300
Due to other governments	-	2,701
Retainage payable	-	-
Customer deposits	52,500	-
Closure and maintenance costs payable	1,954,954	-
Pollution remediation costs payable	-	-
Net pension liability	95,214	66,288
Deferred inflows of resources related to the net pension liability	838	583
Deferred outflows of resources related to the net pension liability	19,068	13,274
Net OPEB liability	(3,124)	(797)
Deferred inflows of resources related to the net OPEB liability	(5,708)	(1,457)
Deferred outflows of resources related to the net OPEB liability	11,066	2,825
Deferred inflows of resources related to leases	-	-
Unearned revenues	-	21,363
Claims payable	-	-
Accrued compensated absences	8,884	7,064
Total adjustments	4,044,336	388,808
Net cash provided by (used in) operating activities	\$ 4,005,351	\$ 1,523,344
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Contributed property, infrastructure, and equipment	\$ -	\$ -
Capital assets purchased through leases/SBITA	\$ -	\$ -
Capital assets purchased through accounts payable	\$ 2,284,260	\$ 16,802

The accompanying notes are an integral part of the financial statements.

Enterprise Funds			Governmental
County Utilities	County Building	Total	Activities - Internal Service Funds
\$ (7,774,571)	\$ (157,441)	\$ (6,836,461)	\$ 2,114,032
13,144,717	95,190	15,032,987	1,124,988
(548,901)	-	(589,866)	637,448
-	-	(18,986)	(7,848)
3,188,105	-	3,188,607	(3,148)
(1,543,333)	-	(1,578,344)	(78,865)
(330,393)	-	(330,393)	-
(907,347)	-	(907,347)	-
387,404	-	387,404	-
315,817	-	315,817	-
(12,025)	(5,153)	(20,411)	(897,960)
(925,225)	89,541	(343,463)	239,172
295	(5,008)	(2,012)	-
(247,846)	-	(247,846)	-
93,608	-	146,108	-
-	-	1,954,954	-
(3,000)	-	(3,000)	-
1,133,441	297,473	1,592,416	248,519
9,968	2,616	14,005	2,186
226,993	59,575	318,910	49,769
(38,356)	(9,572)	(51,849)	(8,642)
(70,065)	(17,486)	(94,716)	(15,786)
135,852	33,904	183,647	30,608
(332,672)	-	(332,672)	-
1,087	(313,976)	(291,526)	-
-	-	-	995,491
(142,151)	20,591	(105,612)	24,295
13,535,973	247,695	18,216,812	2,340,227
\$ 5,761,402	\$ 90,254	\$ 11,380,351	\$ 4,454,259

\$ 2,446,273	\$ -	\$ 2,446,273	\$ 15,079
\$ 177,677	\$ 162,067	\$ 339,744	\$ 74,038
\$ 543,580	\$ -	\$ 2,844,642	\$ 21,700

Indian River County, Florida
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2023

	<u>Custodial Fund</u>	<u>Other Postemployment Benefits Trust</u>
ASSETS		
Cash and investments	\$ 15,174,256	\$ 198,236
Investments, at fair value:		
Index funds	-	14,740,537
U.S. government securities funds	-	11,885,296
Money market fund	-	2,976,638
Due from hospitals	1,748,373	-
Total assets	<u>16,922,629</u>	<u>29,800,707</u>
LIABILITIES		
Accounts payable	863,753	-
Due to other governments	7,662,725	-
Total liabilities	<u>8,526,478</u>	<u>-</u>
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments	8,396,151	-
Other postemployment benefits	-	29,800,707
Total net position	<u>\$ 8,396,151</u>	<u>\$ 29,800,707</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2023

	<u>Custodial Fund</u>	<u>Other Postemployment Benefits Trust</u>
ADDITIONS		
Contributions:		
Hospital contributions	\$ 1,748,373	\$ -
Tax deed collections	1,474,638	-
Court ordered collections	10,840,824	-
Court fines for other governments	37,475,424	-
Property tax collections for other governments	203,040,201	-
License and tax collections due to state agencies	32,755,054	-
Employer contributions	-	1,005,398
Investment income:		
Net appreciation in fair value of investments	73,357	3,039,826
Less investment expense	-	(1,928)
Net investment income	<u>73,357</u>	<u>3,037,898</u>
Total additions	<u>287,407,871</u>	<u>4,043,296</u>
DEDUCTIONS		
Benefit payments	-	3,180,031
Hospital payments due to state	1,821,730	-
Tax deed sale payments	1,461,080	-
Court ordered payments	13,408,463	-
Beneficiary payments	37,476,143	-
Payments of property taxes to other governments	203,040,201	-
Payments of license and tax collections to state agencies	32,755,054	-
Total deductions	<u>289,962,671</u>	<u>3,180,031</u>
Change in net position	(2,554,800)	863,265
Net position, beginning of year	<u>10,950,951</u>	<u>28,937,442</u>
Net position, end of year	<u><u>\$ 8,396,151</u></u>	<u><u>\$ 29,800,707</u></u>

The accompanying notes are an integral part of the financial statements.



Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

<u>Note</u>		<u>Page</u>
1	Summary of Significant Accounting Policies	50
	Reporting Entity	50
	Measurement Focus and Basis of Accounting	51
	Basis of Presentation	55
	Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balances	58
2	Stewardship, Compliance, and Accountability	65
	Budgets and Budgetary Accounting	65
3	Cash and Investments	67
	Deposits	67
	Accrued Interest	67
	Investments	68
	OPEB Trust Investments	72
4	Property Tax Revenues	73
5	Capital Assets	74
	Governmental Activities	74
	Business-type Activities	76
6	Restricted Cash and Investments	77
7	Receivables	77
8	Interfund Balances	78
9	Interfund Transfers	79
10	Payables	80
11	Long-term Liabilities	81
	Changes in Long-Term Liabilities	81
	Primary Government - Governmental Activities	82
	Compensated Absences	84
12	Provision for Closure Costs	85
13	Pollution Remediation	86
14	Retirement Plan	87
15	Other Post Employment Benefits Plan (OPEB)	100
16	Leases	108
17	Subscription-Based Information Technology Arrangements (SBITA)	110
18	Fund Balance	112
19	Net Position	115
20	Risk Management	115
21	Commitments and Contingencies	117
	Litigation	117
	Contracts and Other Commitments	117
	Grants	118
	Opioid Settlements	118

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Indian River County, Florida, (the County) is a political subdivision of the State pursuant to Article VIII, Section 1(a) of the Constitution of the State of Florida. Created on June 29, 1925 by an act of Legislature, separating it from St. Lucie County. The County encompasses approximately 497 square miles of land with an estimated population of 165,559. The County is governed by the Board of County Commissioners and five elected constitutional officers (Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector) in accordance with state statutes and regulations. The constitutional officers maintain separate accounting records and budgets from the Board of County Commissioners. The Constitution of the State of Florida, Article VIII, Section 1(d) created the constitutional officers and Article VIII, Section 1(e), created the Board of County Commissioners.

The financial statements of the County have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the County) and its component units. However, some component units, because of the closeness of their relationships with the County, should be blended as though they are part of the County. As required by generally accepted accounting principles, the financial reporting entity consists of: (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The County is financially accountable if it appoints a voting majority of the organization's governing body and (a) it 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.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A. Reporting Entity - Continued

Based on these criteria, management determined that the Solid Waste Disposal District and the Emergency Services District were the only organizations that should be included in the County's financial statements as blended component units.

Blended Component Units

Solid Waste Disposal District (SWDD) - Created pursuant to County Ordinance 87-67, the Board of County Commissioners serves as the governing body for and has operational responsibility over the SWDD. The Board also sets the non ad valorem assessment fees for the SWDD. Although legally separate, the SWDD is appropriately blended as a proprietary fund type (enterprise) component unit into the primary government.

Emergency Services District (EMS) - Created pursuant to County Ordinance 90-25, the Board of County Commissioners serves as the governing body for and has operational responsibility over the EMS. The Board also sets the millage rate for the EMS. Although legally separate, the EMS is appropriately blended as a governmental fund type (special revenue) component unit into the primary government.

Fiduciary Component Unit

The *Indian River County Other Postemployment Benefits Trust (OPEB Trust)* is a single-employer defined benefit postemployment healthcare trust established and administered by Indian River County to provide healthcare benefits for eligible retirees. The OPEB Trust is included as a fiduciary component unit of the County because (1) the OPEB Trust is a legally separate entity; (2) the Board of County Commissioners acts as the OPEB Board of Trustees; and (3) the County makes contributions to the OPEB Trust on behalf of its participants.

B. Measurement Focus and Basis of Accounting

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

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

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Measurement Focus and Basis of Accounting - Continued

1. 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 (including its blended component units). 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 and fiduciary fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, deferred outflows/inflows of resources, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement 33 - *Accounting and Financial Reporting for Nonexchange Transactions*.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net expense of each program.

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The County chooses to eliminate the indirect costs between governmental activities to avoid a "doubling up" effect. However, interfund services provided and used, such as the sale of gas and diesel from Fleet Management to the government, are not eliminated in the statement of activities.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Measurement Focus and Basis of Accounting - Continued

2. 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 balance, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental, 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.

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. For this purpose, the County considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when the County receives cash.

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 fund balance. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Measurement Focus and Basis of Accounting - Continued

2. Fund Financial Statements - Continued

Governmental Funds - Continued

Non-current portions of special assessments due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Non-current portions of special assessment receivables are offset by deferred inflows of resources.

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

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The issuance of long-term debt is 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 funds and internal service funds are proprietary funds. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or non-current) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Proprietary fund operating revenues, such as charges for services and premiums charged to the County and employees under various insurance programs, result from exchange transactions associated with the principal activity of the fund.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Measurement Focus and Basis of Accounting - Continued

2. Fund Financial Statements - Continued

Proprietary Funds - Continued

Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Principal operating expenses include salary and benefits, cost of sales and services, claims, and insurance premiums. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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

Fiduciary Funds

The fiduciary funds financial statements include financial information for the custodial fund and the other postemployment benefit trust fund. The custodial fund of the County primarily represents assets held by the County in a custodial capacity for other individuals or governments. The other postemployment benefits trust fund (OPEB Trust) accounts for activities of the OPEB Trust, which accumulates resources for health insurance benefit payments for current retirees and for current employees upon their retirement. The custodial and OPEB Trust fund statements are presented using the economic resources measurement focus and the accrual basis of accounting.

C. Basis of Presentation

GASB Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments* sets forth minimum criteria (percentage of the assets, liabilities, deferred outflows/inflows of resources, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The County has used GASB 34 minimum criteria for major fund determination and has also electively disclosed funds that either had debt outstanding or specific community focus as major funds. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Basis of Presentation - Continued

1. Governmental Major Funds

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

Impact Fees Fund - The Impact Fees Fund accounts for the receipt of various impact fees. Funds are used for the construction of roads and bridges, public safety, parks and recreation, and public buildings. Funds are also used for administrative expenditures of monitoring the aforementioned activities.

Transportation Fund - The Transportation Fund accounts for expenditures incurred for the maintenance and repair of County roads. Financing is provided by the 5th and 6th cent gas tax, County gas tax and transfers from the General Fund.

Emergency Services District Fund - The Emergency Services District Fund accounts for the expenditures of providing fire protection and advanced life support to the County. Financing is provided by ad valorem taxes.

Coastal Engineering Fund - The Coastal Engineering Fund accounts for the expenditures of funds to preserve and improve County beaches. Funds are provided by grant funding and the levy of a local tourist development tax.

American Rescue Plan Fund - The American Rescue Plan Fund accounts for expenditures incurred for recovery from the health and economic impacts from COVID-19. Funding is provided from the American Rescue Plan stimulus package.

Optional Sales Tax Fund - The Optional Sales Tax Fund, a capital projects fund, accounts for revenues generated by the local option one-cent sales tax and some capital grants that use the local option one-cent sales tax as matching funds.

2. Proprietary Major Funds

Solid Waste Disposal District Fund - The Solid Waste Disposal District Fund accounts for the revenues, expenses, assets and liabilities associated with the County landfill.

Golf Course Fund - The Golf Course Fund accounts for the revenues, expenses, assets and liabilities associated with the Golf Course.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Basis of Presentation - Continued

2. Proprietary Major Funds - Continued

County Utilities Fund - The County Utilities Fund accounts for the revenues, expenses, assets and liabilities associated with the County water and sewer system.

County Building Fund - The County Building Fund accounts for revenues, expenses, assets and liabilities associated with the County building permit and inspection program.

3. Internal Service Funds

Internal Service Funds - Internal Service Funds account for Fleet Management, Self Insurance and Information Technology services provided to other departments of the County on a cost reimbursement basis.

4. Fiduciary Funds

Custodial Fund - The Custodial Fund is used to account for assets held in a custodial capacity by the County for other governmental units, individuals and businesses. Examples include property taxes, court ordered payments, and local provider participation fund Agency for Health Care Administration payments.

Other Postemployment Benefits Trust Fund - The Other Postemployment Benefits Trust Fund (OPEB Trust) accounts for activities of the OPEB Trust, which accumulates resources for health insurance benefit payments for current retirees and for current employees upon their retirement. Contributions are recorded when earned and benefit payments and refunds when incurred within each year.

5. Long-term Governmental Assets/Liabilities

GASB Statement 34 requires long-term governmental assets, such as land and buildings, and long-term governmental liabilities, such as general obligation bonds and leases, to be reported in the governmental activities column in the government-wide Statement of Net Position.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

1. Cash and Investments

Cash reported on the financial statements includes bank deposits, cash on hand, certificates of deposit, money market accounts, and all highly liquid investments with maturities of ninety days or less when purchased. Investments consist of U.S. Treasury Securities, U.S. Government Agency Securities, Florida PRIME Fund, the Florida Trust Day to Day Fund (FLTRUST), the Florida Short Term Asset Reserve (FLSTAR) and the Florida Cooperative Liquid Assets Securities System (FLCLASS). Investments are reported at market value based upon the custodian bank's valuation. The FLCLASS, FLSTAR and FLTRUST values are presented at Net Asset Value (NAV), which reflects fair value. The Florida PRIME is valued at amortized cost. Refer to Note 3C, Investments, for further information on individual investments. The County maintains a cash and investment pool that is available for use by all funds. Earnings from the pooled investments are allocated to the respective funds based on applicable cash participation by each fund. The investment pool is managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts. Therefore, all balances representing participants' equity in the investment pools are classified as cash and investments for financial statement purposes. In addition, longer-term investments are held by several of the County's funds and are reported as restricted cash on these statements. Cash and investments of the constitutional officers are maintained in separate accounts, but have been combined with the Board's cash and investments for financial statement purposes. When restricted and unrestricted resources are available, expenses are paid first from restricted resources.

2. Allowance for Doubtful Accounts

The County provides an allowance for water and sewer and ambulance services accounts receivables that may become uncollectible. At September 30, 2023, the allowance for water and sewer services was \$831,781 and the allowance for ambulance services was \$172,457. No other allowances for doubtful accounts are maintained since other accounts receivable are considered collectible as reported at September 30, 2023.

3. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All receivables are shown net of allowance for doubtful accounts.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances - Continued

3. Receivables and Payables - Continued

Water and sewer receivables in excess of 120 days and ambulance services receivables in excess of 180 days for self-pay accounts and 365 days for commercial insurance accounts comprise the trade accounts receivable allowance for doubtful accounts.

4. Inventories

Inventories are valued at cost, which approximates market, using the “first-in, first-out” method of accounting, with the exception of the Golf Course and Fleet Internal Service Fund’s inventories, which are valued using the average cost method of accounting. Inventories of all funds are recorded as expenditures (expenses) when consumed rather than when purchased.

5. Prepaids and Other Assets

Prepaid items in the governmental funds represent prepayments for services that will be used in future periods. The County’s policy is to record the expenditure for the services when they are used rather than when the cash is disbursed.

6. Restricted Net Position

Certain resources of the County are classified as restricted net position on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors, or laws or regulations of other governments. In a fund with both restricted and unrestricted net position, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position. Further information on the restrictions can be found in Note 19.

7. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, infrastructure (e.g., roads, bridges, right-of-ways, water and sewer distribution systems, beach restoration, stormwater systems and similar items), and intangible assets (e.g. software, easements, and right-to-use), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances - Continued

7. Capital Assets - Continued

The County defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to October 1, 1981, assets are recorded at historical cost. Roads and bridges constructed prior to October 1, 1981 are reported at estimated historical cost. Donated capital assets, donated works of art, historical treasures and similar assets, as well as capital assets that are received in a service concession arrangement are reported at original acquisition value.

Transfers of capital assets within the County are recorded at their carrying value at the time of the transfer. The costs of normal maintenance and repairs that do not add to the value of the asset nor materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

The Board holds legal title to the capital assets used in the operations of the Board, Clerk of the Circuit Court and Comptroller, Property Appraiser, Supervisor of Elections and Tax Collector, and is accountable for them under Florida Law.

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

Buildings and improvements, equipment, intangible, and infrastructure assets of the primary government, as well as the component units, are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	10 - 50
Machinery and equipment	3 - 10
Utility distribution system	25 - 50
Road and bridge infrastructure	20 - 50
Fiberoptics	20
Software	3-5
Beach preservation infrastructure	7
Stormwater infrastructure	30

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances - Continued

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports the deferred charge on refundings in the amount of \$58,222 in this category on the government-wide Statement of Net Position. A deferred charge on refundings results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reports unavailable revenue, which arises under the modified accrual basis of accounting, on the governmental funds balance sheet in the total amount of \$20,657,882. The sources of the unavailable revenue are special assessments on road paving, ambulance service billings, state and federal grants, opioid settlements, and investment interest earnings. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In addition to the above deferred items, there are deferred outflows and inflows items related to pensions as calculated in accordance with GASB Statement 68, *Accounting and Financial Reporting for Pensions*. These deferred outflows and inflows will be recognized as adjustments to pension expense in future reporting years.

Also, there are deferred outflows and inflows items related to OPEB as calculated in accordance with GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Detail on the composition of the deferred inflows and outflows related to pensions and OPEB are further discussed in Notes 14 and 15.

The final deferred inflows are related to leases. The amounts are recognized at the inception of leases in which the County is the lessor.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances - Continued

8. Deferred Outflows/Inflows of Resources - Continued

The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease. Refer to Note 16 for additional details regarding leases.

9. Pensions/Net Pension Liability

The County participates in both the Florida Retirement System (FRS), which operates a defined benefit and compensation plan, and the Health Insurance Subsidy Program (HIS Program), which is a defined benefit plan. For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, pension expense, and fiduciary net position are determined on the same basis as the FRS. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The net pension liability represents the County's proportionate share of the net pension liability of the cost-sharing pension plans in which it participates. This proportionate amount represents a share of the present value of projected benefit payments to be provided through the cost-sharing pension plan to current active and inactive employees. The benefit payments are attributable to those employees past periods of service, less the amount of the cost-sharing pension plans' fiduciary net position. See Note 14 for additional information.

10. Net Other Postemployment Benefits (OPEB) Liability or Asset

For purposes of measuring the net OPEB liability (or asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County's Retiree Benefits Plan and additions to/deductions from the County's fiduciary net position have been determined on the same basis as they are reported by the County. For this purpose, the County recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments that have a maturity at the time of the purchase of one year or less, which are reported at cost.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances - Continued

11. Unearned Revenues

Unearned revenues represent revenues, which are available but unearned. At September 30, 2023, the total amount of unearned revenues reported on the statement of net position for the governmental activities is \$14,895,399 and for the business-type activities is \$1,819,485.

12. Accrued Compensated Absences

The County accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The non-current portion is the amount estimated to be used in subsequent fiscal years. Both the current and non-current estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentations.

13. Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U. S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The County uses the “revenue reduction” approach in accounting for rebatable arbitrage. This approach treats excess earnings as a reduction of revenue. The County has no arbitrage liability outstanding as of September 30, 2023.

14. Landfill Closure Costs

Under the terms of current state and federal regulations, the Solid Waste Disposal District (SWDD) is required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of up to thirty years after closure. The SWDD recognizes these costs of closure and post-closure maintenance over the active life of each landfill area, based on landfill capacity used during the period. Required obligations for closure and post-closure costs are recognized in the Solid Waste Disposal District Enterprise Fund.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances - Continued

15. Capital Contributions

The capital contributions accounted for in the proprietary fund types represent contributions from other funds, developers, state and federal grant programs, and impact fees charged to new customers for their anticipated burden on the existing system. The contributions amount is reported after non-operating revenues and expenses on the Statement of Revenues, Expenses, and Changes in Fund Net Position in accordance with GASB Statement 33. Capital contributions for the governmental funds are reported on the Statement of Activities in accordance with GASB Statement 34 and represent contributions of capital assets from developers and state agencies.

16. Leases

The County is a lessee for noncancellable leases of land, buildings and equipment. A lease liability and an intangible right-to-use asset are recognized in the government-wide financial statements. The lease liability is initially measured at the present value of the payments expected to be made during the lease term. The lease asset is initially measured as the initial amount of lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs, and is amortized on a straight-line basis over its useful life.

The County is a lessor for noncancellable leases of cellular towers and office space. A lease receivable and a deferred inflow of resources are recognized in the Government-wide, Governmental Fund, and Proprietary Fund financial statements. The lease receivable is initially measured at the present value of payments expected to be received during the lease term. The lease receivable is then reduced by the principal portion of the lease payments. The deferred inflow of resources is measured as the initial amount of the lease receivable, adjusted for prepaid lease payments received at lease inception. Subsequently, the deferred inflow of resources is recognized over the life of the lease term.

Key estimates and judgments related to leases include the determination of the (1) discount rate, (2) lease term, and (3) lease payments. The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Additional information is provided in Note 16.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances - Continued

17. Subscription-Based Information Technology Arrangements (SBITA)

The County has noncancellable subscription-based information technology arrangements. A subscription liability and an intangible right-to-use asset are recognized in the government-wide and proprietary fund financial statements. At the commencement of a subscription, the County initially measures the subscription liability at the present value of payments expected to be made during the subscription term and the liability is reduced by the principal portion of subsequent subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscription include how the County determines the (1) discount rate, (2) subscription term, and (3) subscription payments. The County monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Additional information is provided in Note 17.

18. New Accounting Pronouncement

The County implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. The objective of this Statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for SBITA by governments.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The County uses the following procedures in establishing the budgetary data:

(1) The constitutional officers submit, at various times, to the Board and to certain divisions within the Florida Department of Revenue and the Florida Clerks of Court Operations Corporation, a proposed operating budget for the following fiscal year. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the Florida Statutes.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - Continued

Budgets and Budgetary Accounting - Continued

(2) The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser included in the General Fund.

(3) Constitutional officers, all departments controlled by the Board, and outside state and local agencies submit their proposed budgets to the Office of Management and Budget for assistance, review and compilation. The County Administrator then reviews all County departments, state agencies and nonprofit organization's budgets and makes his budget recommendation to the Board.

(4) On or before July 15 of each year, the County Administrator and the Director of the Office of Management and Budget, as the Board's designated budget officer, submit to the Board a tentative budget for the ensuing fiscal year. The tentative budget includes proposed expenditures and the means of financing them. The Board then holds workshops to review the tentative budget by fund on a departmental level.

(5) During September, public hearings are held pursuant to Section 200.065 of the Florida Statutes in order for the Board to receive public input on the tentative budget. At the end of the last public hearing, the Board enacts ordinances to legally adopt the budgets at the fund level. The budgets legally adopted by the Board set forth the anticipated revenues by source and the appropriations by function.

(6) Formal budgetary integration on an object level is used as a management control device for the governmental and proprietary funds of the County. Management is authorized to transfer budgeted amounts between objects and departments in any fund as long as management does not exceed the total appropriations of a fund. Board approval to amend the budget is only required when unanticipated revenues are received that management wishes to have appropriated, thereby increasing the total appropriations of a fund.

(7) Budgets for the governmental and proprietary fund types are adopted on a basis consistent with generally accepted accounting principles.

(8) Appropriations for the County lapse at the close of the fiscal year. Unexpected ongoing project costs may be appropriated in the new fiscal year through a budget amendment.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS

The County maintains a cash and investment pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions. The following table reconciles the totals on the Statements of Net Position with the amounts discussed in the footnotes below.

Statement of Net Position:

Cash and investments	\$ 446,070,530
Restricted cash and investments	51,297,366
Statement of Fiduciary Net Position-Custodial Fund:	
Cash and investments	15,174,256
Total	<u>\$ 512,542,152</u>

Deposits	\$ 95,757,996
Investments	416,784,156
Total	<u>\$ 512,542,152</u>

A. Deposits

At September 30, 2023, the carrying amount of the primary government's deposits, including \$15,174,256 in the Custodial Fund, was \$95,757,996, and the bank balance was \$100,606,663. The County's policy requires all deposits with financial institutions to be 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer, in accordance with Chapter 280, Florida Statutes, also known as the Florida Security for Public Deposits Act. The Act established a Trust Fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

B. Accrued Interest

Interest earnings on U.S. Treasury Notes and government agency bonds are recorded in the cash and investment pools and then allocated to each fund based on each fund's average monthly balance. As of September 30, 2023, accrued interest for the County's portfolio totaled \$1,726,762. The remaining accrued interest is reflected in utilities and road paving assessments.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

C. Investments

As of September 30, 2023, the County had the following investments:

Investment Type	Fair Value	Weighted Average Maturity In Years	Investment Portfolio Percentage***	Credit Risks*
Fixed Rate Debt Instruments:				
U.S. Treasuries	\$ 145,063,130	0.99	34.80 %	N/A
U.S. Agencies:**				
Federal Farm Credit Bureau	58,164,900	1.08	13.96	AA+
Federal Home Loan Bank	63,088,870	0.85	15.14	AA+
Federal Home Loan Mortgage	47,469,090	0.79	11.39	AA+
Federal National Mortgage Assoc.	14,654,880	1.37	3.52	AA+
Other Market Rate Investments:				
Florida Trust Day to Day Fund	27,507,524	0.11	6.60	AAAm
Florida PRIME	286,281	0.10	0.07	AAAm
FLSTAR	21,111,289	0.02	5.06	AAAm
FLCLASS	39,438,192	0.20	9.46	AAAm
Total Fair Value	\$ 416,784,156		100.00 %	
Weighted Average Maturity of Investments		0.76		

* Ratings based upon Standard and Poor's

** The weighted calculation considers the investments are carried until full maturity (i.e. call dates are not considered).

***Percentages calculated do not include the cash and deposits portion of the portfolio.

Fair Value Measurement

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets, as determined by the County's investment advisors. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The County's fair value measurements for U.S. Treasuries and U.S. Agencies are categorized as Level 2 and are valued by the County's custodian bank using independent pricing services based on the type of asset.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

C. Investments - Continued

Fair Value Measurement - Continued

The pricing services may use valuation models or matrix pricing, which consider benchmark yields, reported trades, broker/dealer quotes, benchmark securities, bids or offers, and reference data. Florida PRIME is valued at amortized cost. There are no restrictions or limitations on withdrawals, however, Florida PRIME may, on the occurrence of an event that has material impact on liquidity or operations, impose restrictions on withdrawals for up to 48 hours. The County's investments in the Florida Cooperative Liquid Assets Securities Systems (FLCLASS), Florida Short Term Asset Reserve (FLSTAR) and the Florida Trust Day to Day Fund, all external local government investment pools organized under the laws of the State of Florida, are presented at Net Asset Value (NAV), which reflects fair value. The objectives of the FLCLASS, FLSTAR, and Florida Trust are to generate investment income while maintaining safety and liquidity. There were no unfunded commitments as of September 30, 2023. Investments may be redeemed weekly/daily based on similar investments of other clients.

Interest Rate Risk

The County's investment policy limits interest rate risk by attempting to match investment maturities with known cash needs and anticipated cash flow requirements. All investments must have stated maturities of ten (10) years or less and no more than 25% of the portfolio shall be invested in instruments with stated final maturities greater than five (5) years. The portfolio shall have securities with varying maturity and at least 10% of the portfolio shall be invested in readily available funds. All constitutional officers with the exception of the Tax Collector and Clerk of Circuit Court and Comptroller (Clerk) follow this policy. The Tax Collector's policy is to limit maturities to 24 months or less. The Clerk's policy is to limit maturities to three years or less and maintain at least 50% of the portfolio in readily available funds.

Credit Risk

Florida Statutes Section 218.415 limit investments to the following:

1. Direct obligations of the United States Treasury;
2. Florida PRIME;
3. Florida Local Government Investment Trust Funds (Florida Trust);
4. Interest-bearing time deposits or savings in qualified public depositories as defined in Section 280.02 Florida Statutes;
5. Federal agencies and instrumentalities;

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

C. Investments - Continued

Credit Risk - Continued

6. Securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States Government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian;
7. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
8. Repurchase agreements with a term of one year or less collateralized by direct obligations of the United States Government which have maturities of three (3) years or less and a market value 103% or more of the repurchase amount.

Concentration Risk

The Indian River County Board of County Commissioners, the Clerk of the Circuit Court and Comptroller, and the Tax Collector follow their own investment policies. The policies have established asset allocation and issuer limits to reduce concentration of credit risk. Their investments are stated at fair value.

The County's investment policy does not allow for more than 20% of the entire portfolio to be invested in any one issuer, with the exception of United States Treasury Obligations and state authorized pools. No more than 10% of the portfolio may be placed in certificates of deposit (CD) and no more than \$6.5 million of the portfolio may be placed in certificates of deposit with any one financial institution. No more than 10% of the entire cash and investment portfolio may be placed in any one money market fund, mutual fund, or intergovernmental investment pool.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

C. Investments - Continued

Concentration Risk - Continued

The Tax Collector's cash and investment policy limits portfolio composition to the following maximum guidelines:

Local Government Surplus Funds Trust Fund (Florida Prime)	75%
Florida Trust Day to Day Fund (Florida Trust)	75%
Florida Cooperative Liquid Assets Securities System (FLCLASS)	75%
Direct Obligations of the U.S. Government	25%
Money Market, CD's, and Savings Accounts	95%
Securities & Exchange Commission Money Funds	25%
Bank Super NOW Accounts	95%
Bank Repo Agreements	25%
United States Government Agencies	25%

The Clerk's cash and investment policy limits portfolio composition to no more than 10% or \$1 million in certificates of deposit with any one qualified public depository financial institution and no more than 40% of the portfolio in any one money market fund, non-operating checking or savings account, or intergovernmental investment pool.

Custodial Credit Risk

The Board's investment policy pursuant to Section 218.415 (18), Florida Statutes requires securities to be registered and shall be held with a third party custodian and all securities purchased by, and all collateral obtained by, the Board shall be held in the name of the Board. The securities must be held in an account separate and apart from the assets of the financial institution. As of September 30, 2023, the Board's investment portfolio in U.S. Treasuries, U.S. Agencies, and money market funds, was held by The Bank of New York/Mellon. Board investments in FLSTAR were held by JP Morgan Chase & Co. and the Florida Trust Day to Day Fund was held by UMB Bank. The Board and Tax Collector's investments in FLCLASS were held by Fifth Third Bank. Additional Tax Collector investments include the Florida PRIME, which was held by the Bank of New York/Mellon.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

D. OPEB Trust Investments

Funds are held in the name of the Indian River County OPEB Trust (OPEB Trust), an irrevocable trust, by a third party custodian, Bank of New York/Mellon. The contribution for the year ended September 30, 2023 was \$1,005,398. Cash balance in the OPEB Trust at September 30, 2023 was \$198,236. The investments are reported at fair value based upon market-close price on the last business day of each month.

The County approved a separate investment policy for the OPEB Trust assets on February 3, 2009 (last amended on December 4, 2018). The County adopted a broadly diversified investment portfolio composition consisting of equity, debt, and cash. Asset allocations are divided between short-term and long-term investments. Short-term asset allocations include cash and investments with maturities of 180 days or less. Long-term asset allocations range from 0-60% for equities, 0-60% for fixed income securities, and 0-100% for cash and cash equivalents.

For the fiscal year ended September 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 10.34%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

As of September 30, 2023, the OPEB Trust had the following investments:

Investment Type	Fair Value	Weighted Average Maturity in Years	Portfolio Percentage
Vanguard 500 Index	\$ 6,622,238	N/A	22.37%
Vanguard All World Ex-US	5,894,134	N/A	19.91
Vanguard Mid Cap Index	1,479,348	N/A	5.00
Vanguard Small Cap Index	744,817	N/A	2.52
Vanguard Short-Term Treasury	8,920,669	3.40	30.13
Vanguard Intermediate Treasury	2,964,627	6.10	10.01
Vanguard Prime Money Market	2,976,638	0.12	10.06
Total Fair Value	<u>\$ 29,602,471</u>		<u>100.00 %</u>

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

D. OPEB Trust Investments - Continued

The County has the following recurring fair value measurements for investments in the OPEB Trust as of September 30, 2023:

	Level 1	Level 2	Level 3	Total
Index funds	\$ 14,740,537	\$ -	\$ -	\$ 14,740,537
U.S. government securities funds	11,885,296	-	-	11,885,296
Money market fund	2,976,638	-	-	2,976,638
Total investments	<u>\$ 29,602,471</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,602,471</u>

Investments classified as Level 1 of the fair value hierarchy are valued using quoted prices in active markets from the County's custodian bank.

NOTE 4 - PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2022-2023 fiscal year were levied in October 2022. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 5 - CAPITAL ASSETS

A. Governmental Activities

Primary Government Governmental activities:	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 138,461,940	\$ 55,750	\$ (201,494)	\$ -	\$ 138,316,196
Construction in progress	117,173,401	44,691,263	(701,493)	(44,379,089)	116,784,082
Right-of-way	69,796,012	1,799,037	(93,410)	1,134,898	72,636,537
Intangibles	1,614,852	40,900	(16,573)	-	1,639,179
Infrastructure	3,575,067	-	-	-	3,575,067
Total capital assets, not being depreciated	330,621,272	46,586,950	(1,012,970)	(43,244,191)	332,951,061
Capital assets, being depreciated:					
Buildings and improvements	260,196,472	467,563	(346,571)	19,466,231	279,783,695
Equipment	95,932,210	5,841,896	(15,428,922)	719,963	87,065,147
Intangibles	5,837,924	22,706	(582,130)	-	5,278,500
Infrastructure	395,282,441	4,374,437	(384,159)	23,057,997	422,330,716
Total capital assets, being depreciated	757,249,047	10,706,602	(16,741,782)	43,244,191	794,458,058
Less accumulated depreciation for:					
Buildings and improvements	(112,381,267)	(8,101,804)	276,759	-	(120,206,312)
Equipment	(64,646,442)	(8,567,053)	11,389,116	-	(61,824,379)
Intangibles	(4,921,087)	(240,553)	560,839	-	(4,600,801)
Infrastructure	(247,299,506)	(27,972,522)	167,230	-	(275,104,798)
Total accumulated depreciation	(429,248,302)	(44,881,932)	12,393,944	-	(461,736,290)
Total capital assets, being depreciated, net	328,000,745	(34,175,330)	(4,347,838)	43,244,191	332,721,768
Lease assets, being amortized:					
Land	604,295	-	(8)	-	604,287
Buildings and improvements	449,713	21,454	(85,918)	-	385,249
Equipment	176,947	107,775	(34,005)	-	250,717
Total lease assets, being amortized	1,230,955	129,229	(119,931)	-	1,240,253
Less accumulated amortization for:					
Land	(20,143)	(20,143)	-	-	(40,286)
Buildings and improvements	(174,038)	(131,564)	85,918	-	(219,684)
Equipment	(54,139)	(65,753)	25,208	-	(94,684)
Total accumulated amortization	(248,320)	(217,460)	111,126	-	(354,654)
Total lease assets, being amortized, net	982,635	(88,231)	(8,805)	-	885,599
SBITA assets, being amortized*					
Subscription assets	2,559,635	3,397,736	-	-	5,957,371
Less accumulated amortization for:					
Subscription assets	-	(1,679,978)	-	-	(1,679,978)
Total SBITA assets, being amortized, net	2,559,635	1,717,758	-	-	4,277,393
Governmental activities capital assets, net	\$ 662,164,287	\$ 14,041,147	\$ (5,369,613)	\$ -	\$ 670,835,821

*New categories for the County's subscription assets, and the related accumulated amortization, have been added due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 5 - CAPITAL ASSETS - Continued

A. Governmental Activities - Continued

Depreciation/amortization expense was charged to the functions/programs of the primary government's governmental activities as follows:

General government	\$ 4,298,039
Public safety	9,053,387
Physical environment	1,099,353
Transportation	8,772,054
Economic environment	220
Human service	125,775
Culture/recreation	22,254,837
Court related	50,717
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>1,124,988</u>
Total depreciation/amortization expense - governmental activities	<u><u>\$ 46,779,370</u></u>

In accordance with GASB Statement 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, the County wrote down the value of the Sector 3 Beach Restoration asset in the amount of \$16,755,477. This impairment was caused by Hurricane Ian and Nicole erosion damage that occurred in September and November 2022. This impairment amount is included as a culture and recreation program expense on the Statement of Activities.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 5 - CAPITAL ASSETS - Continued

B. Business-type Activities

Primary Government Business-type activities:	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land, improvements to land	\$ 32,654,283	\$ -	\$ (33,750)	\$ 21,500	\$ 32,642,033
Intangibles	2,649,016	-	(142,783)	71,795	2,578,028
Construction in progress	28,216,351	15,038,730	-	(14,028,792)	29,226,289
Total capital assets, not being depreciated	<u>63,519,650</u>	<u>15,038,730</u>	<u>(176,533)</u>	<u>(13,935,497)</u>	<u>64,446,350</u>
Capital assets, being depreciated:					
Buildings, distribution systems, & improvements	495,447,724	2,853,673	(571,422)	1,904,051	499,634,026
Intangibles	1,184,231	-	(10,093)	-	1,174,138
Equipment	23,218,932	1,693,410	(2,222,791)	12,031,446	34,720,997
Total capital assets, being depreciated	<u>519,850,887</u>	<u>4,547,083</u>	<u>(2,804,306)</u>	<u>13,935,497</u>	<u>535,529,161</u>
Less accumulated depreciation for:					
Buildings, distribution systems, & improvements	(337,202,757)	(12,935,073)	434,091	-	(349,703,739)
Intangibles	(1,157,856)	(22,812)	10,093	-	(1,170,575)
Equipment	(18,035,692)	(2,030,336)	1,801,294	-	(18,264,734)
Total accumulated depreciation	<u>(356,396,305)</u>	<u>(14,988,221)</u>	<u>2,245,478</u>	<u>-</u>	<u>(369,139,048)</u>
Total capital assets being depreciated, net	<u>163,454,582</u>	<u>(10,441,138)</u>	<u>(558,828)</u>	<u>13,935,497</u>	<u>166,390,113</u>
SBITA assets, being amortized:*					
Subscription assets	-	339,744	-	-	339,744
Less accumulated amortization for:					
Subscription assets	-	(44,766)	-	-	(44,766)
Total SBITA assets, being amortized, net	<u>-</u>	<u>294,978</u>	<u>-</u>	<u>-</u>	<u>294,978</u>
Business-type activities capital assets, net	<u>\$ 226,974,232</u>	<u>\$ 4,892,570</u>	<u>\$ (735,361)</u>	<u>\$ -</u>	<u>\$ 231,131,441</u>

*New categories for the County's subscription assets, and the related accumulated amortization, have been added due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

Depreciation/amortization expense was charged to the functions/programs of the primary government's business-type activities as follows:

Solid Waste Disposal District	\$ 1,504,828
Golf Course	288,252
County Utilities	13,144,717
County Building	95,190
Total depreciation/amortization expense - business-type activities	<u>\$15,032,987</u>

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 6 - RESTRICTED CASH AND INVESTMENTS

Various bond covenants, resolutions, and state regulations require that the County restrict cash and investments. Restricted cash and investments were as follows:

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Current portion of debt	\$ 340,000	\$ -	\$ 340,000
Customer deposits	-	3,984,505	3,984,505
Capital construction	-	36,297,366	36,297,366
Closure and maintenance costs	-	10,675,495	10,675,495
Total	<u>\$ 340,000</u>	<u>\$ 50,957,366</u>	<u>\$ 51,297,366</u>

NOTE 7 - RECEIVABLES

Receivables at September 30, 2023, were as follows:

	Primary Government	
	Governmental Activities	Business-type Activities
Accounts	\$ 7,236,456	\$ 6,660,796
Allowance for uncollectible accounts receivable	(172,457)	(831,781)
Leases	1,240,196	944,759
Due from other governments	23,601,769	2,757,440
Interest	1,318,755	408,005
Total receivables, net	<u>33,224,719</u>	<u>9,939,219</u>
Restricted:		
Special assessments	124,103	1,019,867
Impact fees	-	61,956
Liens	-	2,377,431
Total receivables, net payable from restricted assets	<u>124,103</u>	<u>3,459,254</u>
Total	<u>\$ 33,348,822</u>	<u>\$ 13,398,473</u>
Amounts not expected to be collected within one year	<u>\$ 1,005,348</u>	<u>\$ 1,042,992</u>

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 8 - INTERFUND BALANCES

Interfund balances at September 30, 2023, consisted of the following:

Receivable Fund	Payable Fund	Amount
Major Governmental Funds:		
General Fund	Coastal Engineering Fund	\$ 4,000,000
General Fund	Nonmajor Governmental Funds	223,000
General Fund	Golf Course Enterprise Fund	20,991
		<u>4,243,991</u>
Emergency Services District Fund	General Fund	<u>407,062</u>
Nonmajor Governmental Funds:		
Vero Lakes Estates Fund	General Fund	1,886
East Gifford Stormwater Fund	General Fund	13
Street Lighting Districts Fund	General Fund	2,114
Special Law Enforcement Fund	General Fund	124,514
		<u>128,527</u>
Total Governmental Funds		<u>\$ 4,779,580</u>
Major Enterprise Fund:		
Solid Waste Disposal District Fund	General Fund	<u>\$ 133,306</u>
Internal Service Fund:		
Self Insurance Fund	General Fund	<u>\$ 7,848</u>

Amounts due from the General Fund represent excess fees and payments of the constitutional officers remitted to various funds subsequent to September 30, 2023. In January 2020, the General Fund loaned \$316,900 to the Golf Course Enterprise Fund to purchase new golf carts at an interest rate of 3%. The amount reported as due from the Golf Course Enterprise Fund is the current portion of the scheduled payments due to the General Fund in fiscal year 2024. The amounts due from the nonmajor governmental funds represent short-term cash loans that are expected to be repaid within the next twelve months.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 9 - INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2023, consisted of the following:

Transfers Out:	Transfers In:						Total
	General Fund	Transportation Fund	Coastal Engineering Fund	Nonmajor Governmental Funds	County Utilities Fund	Internal Service Funds	
General Fund	\$ -	\$ 16,120,474	\$ 188,924	\$ -	\$ -	\$ 46,489	\$ 16,355,887
Impact Fees Fund	-	-	-	217,135	-	-	217,135
Transportation Fund	-	-	-	-	218,050	-	218,050
Emergency Services District Fund	1,054,189	-	-	-	-	-	1,054,189
Optional Sales Tax Fund	2,007,355	-	-	576,814	375,223	-	2,959,392
Nonmajor Governmental Funds	-	-	373,790	646,326	-	-	1,020,116
Total	\$ 3,061,544	\$ 16,120,474	\$ 562,714	\$ 1,440,275	\$ 593,273	\$ 46,489	\$ 21,824,769

Transfers are used for the following purposes: 1) use unrestricted general fund revenues to finance transportation activities which are accounted for in a special revenue fund, 2) use unrestricted general fund revenues for beach restoration activities which must be accounted for in another fund, 3) use unrestricted general fund revenues to offset a portion of salaries and benefits expenses for an employee accounted for in the health insurance fund, 4) use unrestricted stormwater revenues to offset Osprey Marsh employee costs accounted for in the utilities fund, 5) use capital project fund revenues for improvements to the Jackie Robinson Training Complex, equipment and improvements for the Sheriff's office, and subsidize the North Sebastian Septic to Sewer incentive program, 6) redistribute tourist tax revenue to nonmajor governmental funds, and 7) move revenues from the fund state law requires to collect them to the fund that state law requires to expend them.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 10 - PAYABLES

Payables at September 30, 2023, were as follows:

	Primary	Government
	Governmental Activities	Business-type Activities
Accounts	\$ 16,057,347	\$ 6,122,283
Retainage	2,635,205	525,491
Due to other governments	2,254,745	86,486
Salaries and Benefits	4,304,745	342,919
Total	<u>\$ 25,252,042</u>	<u>\$ 7,077,179</u>

The County has not engaged in any short-term debt activity during fiscal year 2023 other than that listed in Note 8.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 11 - LONG-TERM LIABILITIES

A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
Spring Training Facility Revenue Bonds - Series 2001	\$ 3,255,000	\$ -	\$ 320,000	\$ 2,935,000	\$ 340,000
Leases	997,325	129,229	218,147	908,407	151,069
SBITA*	2,559,636	3,004,914	1,789,040	3,775,510	1,962,932
Other liabilities:					
Pollution remediation	1,610,000	-	500,000	1,110,000	72,000
Claims payable	10,361,233	25,276,610	24,281,119	11,356,724	3,934,000
Compensated absences	16,107,946	10,170,920	8,437,178	17,841,688	7,741,374
Total other liabilities	28,079,179	35,447,530	33,218,297	30,308,412	11,747,374
Governmental activities long-term liabilities	<u>\$ 34,891,140</u>	<u>\$ 38,581,673</u>	<u>\$ 35,545,484</u>	<u>\$ 37,927,329</u>	<u>\$ 14,201,375</u>
Business-type Activities:					
SBITA	\$ -	\$ 289,328	\$ 96,563	\$ 192,765	\$ 100,310
Other liabilities:					
Pollution remediation	73,000	-	3,000	70,000	70,000
Landfill closure and maintenance costs	8,720,541	2,663,292	708,338	10,675,495	2,000,000
Compensated absences	1,253,828	897,065	1,002,677	1,148,216	913,007
Total notes payable and other liabilities	10,047,369	3,560,357	1,714,015	11,893,711	2,983,007
Business-type activities long-term liabilities	<u>\$ 10,047,369</u>	<u>\$ 3,849,685</u>	<u>\$ 1,810,578</u>	<u>\$ 12,086,476</u>	<u>\$ 3,083,317</u>

*The SBITA category beginning balance was restated due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 11 - LONG-TERM LIABILITIES - Continued

B. Primary Government

Governmental Activities

Annual Debt Service Payments - Governmental Activities

The annual debt service payments for bonds and notes from direct borrowings and direct placements outstanding at September 30, 2023, are as follows:

Fiscal Year Ending September 30	Spring Training Facility Revenue Bonds Series 2001	
	Principal	Interest
2024	\$ 340,000	\$ 146,750
2025	355,000	129,750
2026	375,000	112,000
2027	390,000	93,250
2028	410,000	73,750
2029-2031	1,065,000	94,000
Total	2,935,000	\$ 649,500
Less:		
Current portion	340,000	
Non-current	<u>\$ 2,595,000</u>	

Spring Training Facility Revenue Bonds

Purpose - On August 15, 2001, the County issued \$16,810,000 of Spring Training Facility Revenue Bonds, Series 2001. The Series 2001 bonds were being issued by the County to provide funds, together with other available funds, to (1) finance a portion of the cost of acquisition and expansion of a spring training facility currently known as the “Jackie Robinson Training Complex”; (2) pay a premium for a municipal bond insurance policy and a debt service reserve account surety bond, and (3) pay certain costs and expenses incurred in connection with the issuance of the Series 2001 bonds.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 11 - LONG-TERM LIABILITIES - Continued

B. Primary Government - Continued

Governmental Activities - Continued

Spring Training Facility Revenue Bonds - Continued

Pledge of Revenues - The principal and interest on the Series 2001 bonds are payable from and secured by a first lien upon and pledge of the following, together with any investment income realized on any funds held under the Resolution, except the Cost of Issuance Account and the Rebate Fund:

1. Payments received by the County from the State of Florida pursuant to Section 212.20, Florida Statutes; and
2. The Fourth Cent Tourist Development Tax levied by the County in Ordinance No. 2000-029, enacted pursuant to Section 125.0104(3)(1), Florida Statutes; and
3. Eighty-six percent (86%) of the Local Government Half-Cent Sales Tax distributed to the County, pursuant to Chapter 218, Part VI, Florida Statutes.

The foregoing are collectively referred to herein as the “pledged revenues”. These revenue streams are pledged for the remaining term of the bonds and are listed on Schedule 24 in the statistical section.

The Fourth Cent Tourist Development Tax and the Local Government Half-Cent Sales Tax pledged to the payment of debt service on the Series 2001 bonds were automatically released as pledged revenue for the Series 2001 bonds immediately following the April 1, 2021 principal payment on the Series 2001 bonds.

On February 26, 2019, the County elected a partial redemption of the bonds outstanding and maturing on 2021 and 2031. The principal amount of the redeemed bonds totaled \$1,125,000. The net economic gain was \$91,579 and will be amortized over the remaining life of the debt. The unamortized balance as of September 30, 2023 is \$58,222 and is reflected as a deferred outflow of resources on the government-wide Statement of Net Position.

The current principal and interest payments of \$474,750 represent 95% of the State subsidy pledged revenues. The total principal and interest remaining to be paid on the bonds is \$3,584,500.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 11 - LONG-TERM LIABILITIES - Continued

B. Primary Government - Continued

Governmental Activities - Continued

Spring Training Facility Revenue Bonds - Continued

Bonds Issued - At September 30, 2023, Spring Training Facility Revenue Bonds consisted of the following:

Description	Interest Rates and Date	Maturity	Issue	Outstanding at September 30, 2023
Spring Training Facility Revenue Bonds, Series 2001	3.30%-5.25% 4/1 and 10/1	2031	\$ 16,810,000	<u>\$ 2,935,000</u>

Remaining Mandatory Redemption - The Series 2001 Term Bonds are subject to mandatory redemption prior to maturity, by lot, at par plus accrued interest, according to the following schedule:

Term Bonds due April 1, 2027		
Date		Principal Amount
April 1, 2024	\$	340,000
April 1, 2025		355,000
April 1, 2026		375,000
April 1, 2027		390,000
Term Bonds due April 1, 2031		
Date		Principal Amount
April 1, 2028	\$	410,000
April 1, 2029		430,000
April 1, 2030		455,000
April 1, 2031		180,000

C. Compensated Absences

For the governmental activities compensated absences liability, the General Fund normally liquidates 81 percent, the Emergency Services District funds normally liquidate 14 percent and the remaining 5 percent is liquidated by other governmental and internal service funds.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 12 - PROVISION FOR CLOSURE COSTS

Current regulations of the U.S. Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP) require the Solid Waste Disposal District (SWDD) to place a final cover on closed landfill areas, and to maintain those areas for up to thirty years after closure. The SWDD annually obtains updated and revised estimates of total future closure and post-closure costs from its consulting engineers. The SWDD recognizes the expenses associated with the final closure and post-closure maintenance of the landfill areas over the active life of those areas. The provision for closure costs reported in the financial statements as operating expense represents the portion of these estimated future outlays which are allocable to the current year based on the amount of capacity used.

The total unrecognized closure and post-closure costs are approximately \$10.8 million. These costs will be recognized in future periods as the remaining capacity is filled. The County's policy is to fund 100% of the current year's allocation (based upon the consulting engineers' report) of both closure and post-closure care.

Required closure and post-closure amounts:

	<u>Capacity Used</u>	<u>Estimated Closing</u>	<u>Amount</u>
Class I - Segment III, Cell II	32%	2029	\$ 9,241,141
Construction and Demolition	93%	2028	1,434,354
Total account balance at 9/30/23			<u><u>\$ 10,675,495</u></u>

All amounts recognized are based on what it would cost to perform all closure and post-closure functions in current dollars. Actual costs may be different due to inflation, deflation, changes in technology, or changes in laws and regulations. The SWDD is required by FDEP to annually show proof of ability to finance closure and post-closure costs. The SWDD is making annual deposits to a closure and post-closure cost escrow account to provide for the financing of future closure-related expenses. At September 30, 2023, \$10,662,546 was on deposit at the Florida Cooperative Liquid Assets Securities System (FLCLASS) and \$12,949 was on deposit in the County's Operating account.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 12 - PROVISION FOR CLOSURE COSTS - Continued

A summary of changes in the landfill closure liability account is as follows:

	Closure and Long-Term Care Costs
Beginning balance 09/30/22	\$ 8,720,541
05/10/23 closure withdrawal	(672,343)
09/11/23 closure withdrawal	(35,995)
Deposits	2,663,292
Ending balance 09/30/23	<u>\$ 10,675,495</u>

All withdrawals listed above were expenses incurred by the SWDD for closing the landfill as identified in the closure plan. Of the \$10,675,495 liability for closure and long-term care costs, management estimates that \$2,000,000 will be due and payable within one year.

NOTE 13 - POLLUTION REMEDIATION

In accordance with GASB Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, a consultant evaluated two sites to assess pollution remediation liabilities. The consultant calculated for each site an expected value estimate for pollution remediation based on three plausible mitigation scenarios. An obligating event occurred at each of the following sites requiring the County (using the consultant's services) to attempt to accrue a liability for pollution remediation. The liability totaled \$1,180,000 at September 30, 2023 for both sites. Of the \$1,180,000 liability for pollution remediation, management estimates that \$142,000 will be due and payable within one year. The pollution remediation obligation is an estimate and subject to changes resulting from price increases and reductions, technology, and changes in applicable laws or regulations. There are no estimated recoveries that would reduce the liability.

Governmental Activities

South Gifford Road closed landfill - The nature of the pollution remediation obligation is chlorinated solvent contamination. The consultant will conduct monitoring, bioremediation and reporting with the FDEP. The amount of the estimated year end liability is \$1,110,000 and will be paid from the Optional Sales Tax Fund.

Total Governmental Activities liability: \$1,110,000

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - POLLUTION REMEDIATION - Continued

Business-type Activities

Premier Citrus Property - The nature of the pollution remediation obligation is above ground storage tank petroleum and/or pesticide and herbicide contamination. The consultant will conduct monitoring, bioremediation and reporting with the FDEP. The amount of the estimated year end liability is \$70,000 and will be paid from the Utilities Operating Fund.

Total Business-type Activities liability: \$70,000

NOTE 14 - RETIREMENT PLAN

General Information: All of the County's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (Pension Plan) and the Retiree Health Insurance Subsidy (HIS Program). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the FRS Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a county, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the web site: www.dms.myflorida.com/workforce_operations/retirement/publications.

Pension Plan

Plan Description: The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Pension Plan - Continued

Benefits Provided: Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits.

Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least 6 years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life equal to 3.0% of their final average compensation based on the 5 highest years of salary for each year of credited service.

Senior Management Service class members who retire at or after age 62 with at least 6 years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the 5 highest years of salary for each year of credited service.

Elected Officers' class members who retire at or after age 62 with at least 6 years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the 5 highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to 8 years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan 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 determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Pension Plan - Continued

Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 96 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions: The State of Florida establishes contribution rates for participating employers and employees in section 121.71 Florida Statutes. Effective July 1, 2011, the FRS became a contributory plan for all members, except DROP participants, whereby members contribute 3% and employers pay a rate based upon each member's employment class. Classes and rates in effect at July 1, 2023 were: Regular class 13.57%, Special Risk 32.67%, Senior Management 34.52%, DROP 21.13%, and Elected Official class 58.68%. Included in these rates is a health insurance subsidy of 2.00%. Employer contributions to the FRS are based on a percentage of covered payroll that has been actuarially determined as an amount, when combined with the 3% employee contributions, is expected to finance the cost of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability.

The County's actuarial contribution to FRS under the Pension Plan for the year ended September 30, 2023, was \$17,998,343. Employee contributions for September 30, 2023 were \$2,914,267. Both employer and employee contributions were equal to 100% of the required contribution.

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to Pension Plan: At September 30, 2023, the Division of Retirement calculated the County's liability of \$142,901,121 for the FRS plan for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The County's proportionate share of the net pension liability was based on a projection of the County's long-term share of contributions to the Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the County's proportionate share was 0.3586% for the FRS Pension Plan. This was a decrease of 0.0032% from its proportionate share measured as of June 30, 2022.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Pension Plan - Continued

The County anticipates that the pension liability will be liquidated in the following manner: General Fund 58 percent, Emergency Services District Fund 29 percent, Enterprise Funds 7 percent, and the remaining 6 percent is by the Other Governmental Funds and Internal Service Funds.

For the year ended September 30, 2023, the County's calculated total of actuarially determined pension expense was \$17,106,599. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions 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	\$ 13,417,182	\$ -
Changes in assumptions	9,315,479	-
Net difference between projected and actual earnings on pension plan investments	5,967,938	-
Changes in proportion and differences between County contributions and proportionate share of contributions	3,076,821	2,515,494
County contributions subsequent to the measurement date	5,025,841	-
Total	<u>\$ 36,803,261</u>	<u>\$ 2,515,494</u>

The deferred outflows of resources related to the pension plan totaling \$5,025,841 resulting from County contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount Recognized</u>
2024	\$ 3,988,027
2025	(1,580,037)
2026	23,929,986
2027	2,273,149
2028	650,801
Total	<u>\$ 29,261,926</u>

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Pension Plan - Continued

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

Valuation date:	July 1, 2023
Measurement date:	June 30, 2023
Discount rate:	6.70%
Long-term expected rate of return:	6.70%, net of pension plan investment expense, including inflation
Inflation:	2.40%
Salary increase:	3.25%, including inflation
Mortality:	PUB-2010 base table, projected generationally with Scale MP-2018
Actuarial cost method:	Individual Entry Age

The actuarial assumptions that determined the total pension liability used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

There were no changes in actuarial assumptions in 2023.

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

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Pension Plan - Continued

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate (Property)	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Total	100%			
Assumed inflation-mean				
			2.4%	1.4%

Discount Rate for Pension Plan: The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the County's contributions will be made at statutorily required rates, actuarially determined. Based on those assumptions, 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 if future experience follows assumptions and the actuarially determined contribution is contributed in full each year. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the Pension Plan: The following presents the County's proportionate share of the net pension liability (NPL) of the Pension Plan calculated using the discount rate of 6.70%. Also presented is what the County's proportionate share of the FRS plan NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
County's proportionate share of NPL	\$ 244,104,212	\$ 142,901,121	\$ 58,232,625

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Pension Plan - Continued

Pension Plan Fiduciary Net Position: Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. This report is available by writing to the State of Florida, Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or by email at rep@dms.myflorida.com, or by telephone toll free at (877) 377-1737 or (850) 488-5706. This report identifies statements that were prepared in accordance with generally accepted accounting principles, the measurement focus and basis of accounting, various investment valuations, various pension plan benefits, assumptions used, and many other details.

Retiree Health Insurance Subsidy (HIS) Program

Plan Description: The HIS Program is a cost-sharing, multiple-employer, defined benefit pension plan established to provide a monthly subsidy payment to retired members of any state-administered retirement system. It was established under Section 112.363, Florida Statutes. Benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The HIS Program is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided: For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS Program payment of \$7.50 for each year of creditable service completed. The payments are at least \$45 but not more than \$225 per month. To be eligible to receive a HIS Program benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions: The HIS Program 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, 2023, the HIS Program contribution rate was 2.00%. There are no employee contributions required. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Program contributions are deposited in a separate trust fund from which payments are authorized. The County's actuarial contributions to the HIS Program totaled \$1,816,550 for the fiscal year ended September 30, 2023.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Retiree Health Insurance Subsidy (HIS) Program - Continued

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to HIS Program: At September 30, 2023, the Division of Retirement calculated the County's liability of \$41,350,877 for its proportionate share of the HIS Program's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. At June 30, 2023, the County's proportionate share was 0.2604% for the HIS Program. This was a decrease of 0.0090% from its proportionate share measured as of June 30, 2022.

For the year ended September 30, 2023, the County recognized pension expense of \$14,742,846. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions 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	\$ 605,350	\$ 97,057
Changes in assumptions	1,087,102	3,583,193
Net difference between projected and actual earnings on pension plan investments	21,354	-
Changes in proportion and differences between County contributions and proportionate share of contributions	1,895,230	942,516
County contributions subsequent to the measurement date	529,728	-
Total	<u>\$ 4,138,764</u>	<u>\$ 4,622,766</u>

The deferred outflows of resources related to HIS Program totaling \$529,728 resulting from County contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to HIS Program will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount Recognized</u>
2024	\$ (177,126)
2025	(107,391)
2026	(178,677)
2027	(350,463)
2028	(185,644)
Thereafter	(14,429)
Total	<u>\$ (1,013,730)</u>

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Retiree Health Insurance Subsidy (HIS) Program - Continued

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

Valuation date:	July 1, 2022
Measurement date:	June 30, 2023
Discount rate:	3.65%
Long-term expected rate of return:	N/A
Municipal bond rate:	3.65%
Inflation:	2.40%
Salary increase:	3.25% average, including inflation
Mortality:	PUB-2010 base table, projected generationally with Scale MP-2018
Actuarial cost method:	Individual Entry Age

The actuarial assumptions that determined the total HIS Program pension liability used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018. The following changes in actuarial assumptions occurred in 2023:

- The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.
- Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefits from \$5 times years of service to \$7.50, with an increased minimum of \$45 and maximum of \$225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

Discount Rate for HIS Program: 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 Program is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Retiree Health Insurance Subsidy (HIS) Program - Continued

Long-term Expected Rate of Return: As stated above, the HIS Program is essentially funded on a pay-as-you-go basis. As such, there is no assumption for a long-term expected rate of return on a portfolio, no assumptions for cash flows into and out of the pension plan, or assumed asset allocation.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the HIS Program: The following presents the County's proportionate share of the Net Pension Liability (NPL) of the HIS Program calculated using the discount rate of 3.65%. Also presented is what the County's proportionate share of the HIS Program NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
County's proportionate share of NPL	\$ 47,174,898	\$ 41,350,877	\$ 36,523,156

HIS Plan Fiduciary Net Position: Detailed information regarding the HIS Program's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. This report is available by writing to the State of Florida, Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or by email at rep@dms.myflorida.com, or by telephone toll free at (877) 377-1737 or (850) 488-5706.

Total Pension Liability - FRS Pension and HIS Program Combined

At September 30, 2023, the Division of Retirement calculated the County's total liability of \$184,251,998 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. At June 30, 2023, the County's total proportionate share was 0.6190%. This was a decrease of 0.0122% from its proportionate share measured as of June 30, 2022.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

Total Pension Liability - FRS Pension and HIS Program Combined - Continued

For the year ended September 30, 2023, the County recognized pension expense for the FRS Pension and HIS Program combined of \$31,849,445. The County reported deferred outflows of resources and deferred inflows of resources related to the pension and HIS program 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	\$ 14,022,532	\$ 97,057
Changes in assumptions	10,402,581	3,583,193
Net difference between projected and actual earnings on pension plan investments	5,989,292	-
Changes in proportion and differences between County contributions and proportionate share of contributions	4,972,051	3,458,010
County contributions subsequent to the measurement date	5,555,569	-
Total	<u>\$ 40,942,025</u>	<u>\$ 7,138,260</u>

The deferred outflows of resources totaling \$5,555,569 resulting from County contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount Recognized</u>
2024	\$ 3,736,718
2025	(1,996,074)
2026	24,989,359
2027	1,405,424
2028	154,667
Thereafter	(41,898)
Total	<u>\$ 28,248,196</u>

FRS Investment Plan

Plan Description: The County contributes to the Investment Plan, a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the State Board of Administration (SBA), and is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees already participating in DROP are not eligible to participate in this program.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

FRS Investment Plan - Continued

Benefits Provided: Service retirement benefits are based upon the value of the member's account upon retirement. Employers 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.

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. 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 his/her account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For fiscal year ended September 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds.

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: Cost of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of .06% of payroll and by forfeited benefits of Investment Plan members. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances to various approved investment choices.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - RETIREMENT PLAN - Continued

FRS Investment Plan - Continued

Allocations to the investment member's accounts during the 2022-2023 fiscal year are based on a percentage of gross compensation by class as follows: Regular class 11.30%, Special Risk class 19.00%, Senior Management Service class 12.67%, and County Elected Officers' class 16.34%. This includes the employee contribution of 3%.

The County's Investment Plan contributions and pension expense totaled \$3,657,361 for fiscal year ended September 30, 2023. Employee contributions totaled \$614,031 for the same period.

Other Retirement Plans

The Board of County Commissioners (Board) established an Internal Revenue Code Section 401(a) defined contribution plan on June 6, 2023 to provide benefits at retirement to employees who have been designated by the FRS as not eligible for renewed membership and are ineligible to participate in the FRS Pension or Investment Plan. Senior Management Service Class employees who hold an eligible position and have completed the necessary form to withdraw from the FRS will also be enrolled in this plan.

The plan is a single-employer defined contribution plan administered by Lincoln Financial. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. This plan is non-contributory for members. The Board does not hold or administer resources of the plan. Consequently, the Lincoln plan does not meet the requirements for inclusion in the County's financial statements as a fiduciary fund. The plan does not issue a stand-alone financial report. Plan provisions are established and may be amended only by the Board.

For eligible employees enrolled in the Lincoln defined contribution plan, the Board shall establish an employer contribution rate equal to the difference between the eligible employee FRS contribution rate for the FRS Investment Plan and the ineligible employee FRS contribution rate for the FRS Investment Plan as determined by the FRS annually.

As of September 30, 2023, the contribution rate for eligible employees was 6.79%, calculated as the difference between the regular class employer rate of 13.57%, and the regular class rehire rate of 6.78%. Employer contributions totaled \$3,630 for fiscal year 2023.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB)

A. Plan Description

On September 23, 2008, the Board of County Commissioners approved resolution number 2008-163, establishing an irrevocable trust (OPEB Trust) to separately identify assets accumulated to pay OPEB benefits for eligible retirees. The OPEB Trust includes the Board of County Commissioners and the five constitutional officers (Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector). The resolution also established the Board of County Commissioners as trustees of the OPEB Trust and the authority for the trustees to amend the benefit provisions.

The OPEB Trust is a single-employer defined benefit plan (OPEB Plan). The OPEB Plan subsidizes the cost of health care for employees hired prior to February 1, 2006 and their eligible dependents according to the provisions of the substantive plan (the plan as understood by the employer and plan members). Employees hired on or after February 1, 2006, will not be eligible for any subsidy, regardless of the years of service or Medicare eligibility.

Active participants as well as retirees are subject to the same benefits and rules. Retired employees are permitted to remain covered under the County's medical and life insurance plans as long as they pay a premium applicable to the coverage elected. This conforms to the minimum required of Florida governmental employers per Florida Statute 112.0801. The retiree has the option to continue with the County group health plan or elect Medicare Advantage Plan.

The implicit rate subsidy applies to health and life insurance coverage since the premiums charged are based upon a blending of younger active employees and older retired employees. Health insurance monthly premiums, effective October 1, 2022, range from \$257 for single coverage Medicare participants to \$1,297.50 for family coverage. Life insurance is available to retirees at a flat rate of \$.75 per \$1,000 of coverage (to a maximum of \$20,000 until the age of 70). After 70, the maximum amount of life insurance is \$10,000.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

A. Plan Description - Continued

The County subsidizes the cost of the health premiums for each retiree based upon their years of service and employment date (as mentioned above); a 2% discount is given for each year of service based upon the following table:

Hired Before 2/1/2006				Hired On or After 2/1/2006
Retirement Date	Service	Under Age 65	Retiree or Spouse Medicare Eligible***	
Before 1/31/2009**	Less than 15 years	No Subsidy	20% Subsidy*	No Subsidy
	At least 15 years	2% per Year of Service (maximum of 40%)	Additional 20% Subsidy (maximum of 60%)*	
On or After 1/31/2009**	Less than 15 years	No Subsidy	No Subsidy	
	At least 15 years	2% per Year of Service (maximum of 40%)	Subsidy Ceases	

*Additional Subsidy will be paid to Medicare Eligible retirees regardless of which plan they are enrolled in (County's medical plan or Medicare Advantage Plan) and regardless of whether they become Medicare Eligible before or after October 1, 2004.

**Employees who commit by June 1, 2008 to retire before January 31, 2009 will receive subsidy as if retired before June 1, 2008.

***Effective May 1, 2016 and prospectively, subsidy does not cease until both Retiree and Spouse are Medicare eligible.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

A. Plan Description - Continued

The OPEB Trust financial statements are reported using the accrual basis of accounting and are included in the Indian River County Annual Comprehensive Financial Report. Questions regarding the OPEB Plan may be directed to the Chief Deputy Comptroller.

At October 1, 2021, the date of the latest actuarial valuation, plan participation consisted of:

Active participants	1,565
Retired participants	<u>543</u>
Total participants	<u><u>2,108</u></u>

There are two classes of participants at October 1, 2021:

Regular and senior management	1,357
Special risk	<u>751</u>
Total participants	<u><u>2,108</u></u>

The average employer's contribution was \$628 per employee, approximately 0.93% of current payroll. Financial statements for the OPEB Trust are included in this report and can be found on pages 46-47. A separate, stand-alone financial report is not issued by the County. The OPEB Trust investments can be found in Note 3D.

B. Contributions and Funding Policy

The Board of County Commissioners, in concert with the OPEB Board of Trustees, has the authority to establish and amend the funding policy of the OPEB Plan. The OPEB Trust is advance funded by the County. For the year ended September 30, 2023 the County contributed \$1.0 million to the qualifying OPEB Trust. Plan members received benefits totaling \$3.2 million. The County anticipates that the OPEB liability will be liquidated in the following manner: General Fund 53 percent, Emergency Services District Fund 29 percent, Enterprise Funds 8 percent, Internal Service Funds 1 percent, and the remaining 9 percent is by the Other Governmental Funds. It is the County's policy to base future OPEB Trust contributions on the annual required contribution (ARC) in subsequent annual actuarial reports. Custodial and individual fund administrative fees are paid from the portfolio dividend and interest income.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

C. Net OPEB Liability

The County's net OPEB liability was measured as of September 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of October 1, 2021. Roll-forward reports were completed at fiscal year-end. The components of the net OPEB liability of the County at September 30, 2023, were as follows:

Total OPEB liability	\$ 35,132,573
Plan fiduciary net position	<u>(29,800,707)</u>
County's net OPEB liability	<u>\$ 5,331,866</u>

Plan fiduciary net position as a percentage of the total OPEB liability	84.82%

D. Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of October 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Methods and Assumptions Used to Determine Net OPEB Liability:

Actuarial Cost Method	Entry age normal
Inflation	2.25%
Discount Rate	6.00%
Salary Increases	3.4% to 7.8%, including inflation, varies by plan type and years of service.
Retirement Age	Experience-based table of rates that are specific to the plan and type of eligibility condition.
Mortality	Mortality tables used in the July 1, 2020 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

D. Actuarial Methods and Assumptions - Continued

Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.0% and gradually decreasing to an ultimate trend rate of 3.75%.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Investment expenses are net of the investment returns; Administrative expenses are included in the per capita health costs.

Other Information:

Notes	Effective July 1, 2023, per Senate Bill 7024, the retirement eligibility for Special Risk members hired on or after July 1, 2011 was lowered to the earlier of: (1) age 55 with with 6 years of creditable service, or (2) 25 years of creditable service regardless of age. In addition, the maximum DROP participation period was extended from 5 to 8 years for all eligible for DROP.

E. Discount Rate

Calculation of the Single Discount Rate

GASB Statement No. 74 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total OPEB Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a municipal bond rate is required, as described in the following paragraph.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

E. Discount Rate - Continued

Calculation of the Single Discount Rate - Continued

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on OPEB Plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation the expected rate of return on OPEB Plan investments is 6.00%, the municipal bond rate is 4.63%; and the resulting SDR is 6.00%. The County has adopted a broadly diversified investment portfolio composition consisting of equity, debt, and cash. Asset allocations are divided between short-term and long-term investments. Short-term asset allocations include cash and investments with maturities of 180 days or less. Long-term asset allocations range from 0-60% for equities, 0-60% for fixed income securities, and 0-100% for cash.

The County has a policy and a track record of depositing the full amount of the Actuarially Determined Contribution developed under the Entry Age Method. Consequently, the plan's fiduciary net position is projected to be sufficient to pay benefits and the resulting SDR is 6.00%.

F. Sensitivity of Net OPEB Liability

Regarding the sensitivity of the net OPEB liability to changes in the SDR, the following presents the plan's net OPEB liability, calculated using a SDR of 6.00%, as well as what the plan's net OPEB liability would be if it were calculated using a SDR that is 1% lower or 1% higher:

**Sensitivity of Net OPEB Liability
to the Single Discount Rate Assumption**

1% Decrease (5.00%)	Current Single Discount Rate Assumption (6.00%)	1% Increase (7.00%)
\$ 7,797,518	\$ 5,331,866	\$ 3,092,597

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

F. Sensitivity of Net OPEB Liability - Continued

Regarding the sensitivity of the net OPEB liability to changes in the healthcare cost trend rates, the following presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher:

**Sensitivity of Net OPEB Liability
to the Healthcare Cost Trend Rate Assumption**

1% Decrease (5.0% down to 2.75%)	Current Healthcare Cost Trend Rate Assumption (6.0% down to 3.75%)	1% Increase (7.0% down to 4.75%)
<u>\$ 2,275,609</u>	<u>\$ 5,331,866</u>	<u>\$ 8,867,365</u>

G. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 9/30/2022	<u>\$ 34,934,061</u>	<u>\$ 28,937,442</u>	<u>\$ 5,996,619</u>
Changes for the year:			
Service cost	580,560	-	580,560
Interest	2,035,476	-	2,035,476
Changes of benefit terms	762,507	-	762,507
Contributions - employer	-	1,005,398	(1,005,398)
Net investment income	-	3,037,898	(3,037,898)
Benefit payments	(3,180,031)	(3,180,031)	-
Net changes	<u>198,512</u>	<u>863,265</u>	<u>(664,753)</u>
Balances at 9/30/2023	<u><u>\$ 35,132,573</u></u>	<u><u>\$ 29,800,707</u></u>	<u><u>\$ 5,331,866</u></u>

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

H. OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the County recognized OPEB expense of \$1,480,807. At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB 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	\$ 2,585,971	\$ -
Changes of assumptions	1,106,480	5,131,624
Net difference between projected and actual earnings on OPEB plan investments	1,687,203	-
	<u>\$ 5,379,654</u>	<u>\$ 5,131,624</u>

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

<u>Year Ending September 30</u>	<u>Net Deferred Outflows of Resources</u>
2024	\$ (371,216)
2025	(231,383)
2026	243,426
2027	(26,252)
2028	247,126
Thereafter	386,329
Total	<u><u>\$ 248,030</u></u>

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 16 - LEASES

A. Governmental Activities

1. Lessee

The County is involved in multiple agreements as a lessee that meet the requirements of long-term lease agreements. These agreements qualify as intangible, right-to-use assets and not financed purchases, as the County will not own the assets at the end of the contract term and the noncancellable term of the agreements surpass one year. Below is a summary of the nature of those agreements.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Airport Land	28 years
Copiers	26 - 59 months
Mail Machines	3 - 45 months
Office Space	3 - 45 months

The assets acquired through the leases are summarized as follows:

Land	\$ 604,287
Buildings	385,249
Equipment	250,717
Less accumulated amortization	(354,654)
Net book value	<u><u>\$ 885,599</u></u>

The net present value of future minimum payments as of September 30, 2023 was as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 151,069	\$ 21,431
2025	115,818	17,394
2026	76,020	14,132
2027	48,188	11,671
2028	24,289	10,159
2029-2033	88,783	45,033
2034-2038	98,116	35,700
2039-2043	108,431	25,385
2044-2048	119,826	13,990
2049-2051	77,867	2,425
Totals	<u><u>\$ 908,407</u></u>	<u><u>\$ 197,320</u></u>

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 16 - LEASES - Continued

A. Governmental Activities - Continued

1. Lessee - Continued

Leases payable activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Leases payable	<u>\$ 997,325</u>	<u>\$ 129,229</u>	<u>\$ (218,147)</u>	<u>\$ 908,407</u>	<u>\$ 151,069</u>

2. Lessor

The County is involved in multiple agreements as lessor that qualify as long-term lease agreements. These agreements qualify as long-term lease agreements as the County will not surrender control of the asset at the end of the term and the noncancellable term of the agreements surpass one year. Below is a summary of those agreements. Total lease revenue for the year ended September 30, 2023 was \$237,985.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Land	2-23 years
Buildings	1-4 years

Leases receivable activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Leases receivable	<u>\$ 1,449,962</u>	<u>\$ -</u>	<u>\$ (209,766)</u>	<u>\$ 1,240,196</u>

B. Business-type Activities

1. Lessor

The County is involved in multiple agreements as lessor that meet the requirements of long-term lease agreements. These agreements qualify as long-term lease agreements as the County will not surrender control of the asset at the end of the term and the noncancellable term of the agreements surpass one year.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 16 - LEASES - Continued

B. Business-type Activities - Continued

1. Lessor - Continued

Below is a summary of those agreements. Total lease revenue for the year ended September 30, 2023 was \$332,483.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Land	2-9 years

Leases receivable activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Leases receivable	\$ 1,260,576	\$ -	\$ (315,817)	\$ 944,759

The County is involved in an agreement for leasing of the snack bar at the golf course. The monthly rent is calculated as a percentage of monthly sales. Total lease revenue, for this lease only, for the year ended September 30, 2023 was \$50,579. The current agreement will end on March 31, 2025 if not renewed before then.

NOTE 17 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

A. Governmental Activities

The County is involved in multiple agreements that meet the requirements of long-term subscription-based technology arrangements. These agreements qualify as intangible, right-to-use assets, as the County has the control of the right to use another party's information technology software and the noncancellable term of the agreements surpass one year. Below is a summary of the nature of those agreements.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Software	8-60 months

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 17 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) - Continued

A. Governmental Activities - Continued

The assets acquired through the SBITA are summarized as follows:

Subscription assets	\$ 5,957,371
Less: accumulated amortization	<u>(1,679,978)</u>
Net book value	<u>\$ 4,277,393</u>

The net present value of future minimum payments as of September 30, 2023, were as follows:

Year Ended	Principal	Interest
2024	\$ 1,962,932	\$ 132,492
2025	873,550	85,425
2026	491,525	42,084
2027	228,606	21,189
2028	218,897	10,240
	<u>\$ 3,775,510</u>	<u>\$ 291,430</u>

SBITA liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance*	Additions	Deductions	Ending Balance	Due Within One Year
SBITA liability	<u>\$ 2,559,635</u>	<u>\$ 3,004,915</u>	<u>\$ (1,789,040)</u>	<u>\$ 3,775,510</u>	<u>\$ 1,962,932</u>

B. Business-type Activities

Asset Type	Remaining Term of Agreements
Software	21-25 months

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 17 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) - Continued

B. Business-type Activities - Continued

The assets acquired through the SBITA are summarized as follows:

Subscription assets	\$ 339,744
Less: accumulated amortization	<u>(44,766)</u>
Net book value	<u>\$ 294,978</u>

The net present value of future minimum payments as of September 30, 2023, were as follows:

Year Ended	Principal	Interest
2024	\$ 100,310	\$ 9,053
2025	<u>92,455</u>	<u>4,016</u>
	<u>\$ 192,765</u>	<u>\$ 13,069</u>

SBITA liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
SBITA liability	<u>\$ -</u>	<u>\$ 289,328</u>	<u>\$ (96,563)</u>	<u>\$ 192,765</u>	<u>\$ 100,310</u>

*The County implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)* in the current year. In accordance with the Statement, subscription liabilities have been added to the beginning balances shown above and a corresponding subscription asset has been recorded for the same amount.

NOTE 18 - FUND BALANCE

GASB Statement 54, *Fund Balance Reporting and Governmental Funds Type Definitions*, requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 18 - FUND BALANCE - Continued

A. Categories

There are five categories of fund balance for governmental funds under Statement 54:

Nonspendable - Amounts that cannot be spent because they are not in spendable form or are legally or contractually required to remain intact.

Restricted - Use of these resources is based on the constraints imposed externally by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Committed - Amounts whose use is constrained by the approval of a County ordinance by the Board of County Commissioners. This category also includes existing resources on hand to satisfy the obligations that arise from contractual obligations entered into by the Board of County Commissioners.

Assigned - The Board of County Commissioners is the governing body authorized to assign fund balance amounts to be used for specific purposes. This assignment is done through the budget approval and amendment process. Amounts appropriated to eliminate a budgetary deficit in a subsequent year are reported in this category as well.

Unassigned - Residual amounts in the general fund that do not meet any of the other fund balance classifications.

B. Fund Balance Policy

On September 21, 2010, the County approved a Fund Balance and Reserve Policy that set forth the following reserves of fund balance in the General, Transportation, and Emergency Services District Funds:

Emergency/Disaster Relief Reserve - A balance of no less than 5% of budgeted operating expenditures for the current fiscal year will be reserved only for the purpose of responding to natural and man-made disasters. Disasters include: hurricanes, tropical storms, floods, wildfires, or terrorist activities. These funds can only be used to respond and provide relief after such a disaster. Funds will be replenished over a five-year period after the completion of the recovery from the disaster.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 18 - FUND BALANCE - Continued

B. Fund Balance Policy - Continued

Budget Stabilization Reserve - A balance of no less than 5% of budgeted operating expenditures for the current fiscal year will be reserved only for the purpose of revenue declines or unfunded mandates from the state and federal governments. Funds utilized due to revenue declines will be replenished over a five-year period. Funds utilized for unfunded mandates or unanticipated expenditures cannot be used for more than a three-year period and must be replenished within five-years after the three-year period.

At September 30, 2023, reserve amounts for those funds were:

	Disaster Relief	Budget Stabilization	Total
General Fund	\$ 8,850,000	\$ 8,850,000	\$ 17,700,000
Transportation Fund	1,150,000	1,150,000	2,300,000
Emergency Services District Fund	2,900,000	2,900,000	5,800,000
Total	<u>\$ 12,900,000</u>	<u>\$ 12,900,000</u>	<u>\$ 25,800,000</u>

The General Fund reserves are included in the unassigned fund balance on the balance sheet. The Transportation Fund reserves are included in the assigned fund balance and the Emergency Services District Fund reserves are included in the restricted fund balance on the balance sheet. Emergency/Disaster Relief and Budget Stabilization Reserve amounts may only be revised by the Board of County Commissioners.

Minimum Fund Balance - The approved fund balance policy dictates the County's attempt to maintain a minimum unassigned fund balance in the General, Transportation, and Emergency Services District funds of 20% of budgeted annual operating expenditures. The minimum fund balance level may be revised by the County Administrator or his designee.

C. Spending Hierarchy

For all governmental funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 18 - FUND BALANCE - Continued

D. Fund Balance Deficit

At September 30, 2023, the Coastal Engineering Fund, a major governmental fund, had a deficit in fund balance of \$4,067,329. The Federal/State Grants Fund and the Metropolitan Planning Organization Fund, both nonmajor governmental funds, had a deficit in fund balance of \$2,320 and \$343,342 respectively. These fund balance deficits should be eliminated by grant proceeds in fiscal year 2024.

NOTE 19 - NET POSITION

A. Net Position Restricted by Enabling Legislation

The government-wide statement of net position for the primary government reports \$217,139,454 of restricted net position, of which \$117,023,676 is restricted by enabling legislation.

NOTE 20 - RISK MANAGEMENT

General Liability, Property, Worker's Compensation and Medical

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors or omissions, injuries to employees, and natural disasters. The County established a Self Insurance Fund (an internal service fund) to account for and finance its uninsured risk of loss. Under this program, the Self Insurance Fund provides coverage up to the retention amounts listed below:

	10/01/2022 to 9/30/2023	10/01/2020 to 9/30/2022	10/01/2018 to 9/30/2020
Worker's Compensation	\$ 850,000	\$ 650,000	\$ 650,000
General Liability	200,000	200,000	200,000
Auto Liability	200,000	200,000	200,000
Property Damage	100,000	100,000	200,000
Error or Omissions	200,000	200,000	200,000
Annual Aggregate	4,000,000	4,000,000	2,000,000

The annual aggregate reported is for the general liability, auto liability, and errors or omissions coverages.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 20 - RISK MANAGEMENT - Continued

General Liability, Property, Worker's Compensation and Medical - Continued

All departments of the County participate in the program. Payments are made by various funds to the Self Insurance Fund based on past experience and actual estimates of the amounts needed to pay current year claims. The County purchases excess insurance to cover claims in excess of the amounts listed above. There is a 5% deductible per location for property damages arising due to a hurricane under the reinsurance policy.

The County is also self insured for medical claims covering employees and their eligible dependents. As required by Section 112.081, Florida Statutes, retirees and their eligible dependents are provided the same health care coverage as is offered to active employees; however, the retirees are responsible for payment of the premiums. Medical claims are paid from premiums contributed by employees, retirees and by the County. Premiums and contributions are determined by projected claims based on historical and actuarial experience. The self insurance medical plan assumes all risk for claims, other than worker's compensation, up to \$300,000 per occurrence.

The claims liability of \$11,356,724 reported at September 30, 2023, is based on the requirements of generally accepted governmental accounting standards, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. Estimates for claims incurred but not reported are actuarially determined and recorded. Based on the actuary's report, \$3,934,000 will be liquidated over the next twelve months.

Changes in the fund's claim liability amount during the current and prior three fiscal years are as follows:

	Balance at Fiscal Year Beginning	Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2019-2020	\$ 8,254,000	\$ 23,627,530	\$ (23,937,530)	\$ 7,944,000
2020-2021	7,944,000	29,700,049	(28,234,444)	9,409,605
2021-2022	9,409,605	23,325,116	(22,373,488)	10,361,233
2022-2023	10,361,233	25,276,610	(24,281,119)	11,356,724

Included in the charges to other funds is an amount to fund future catastrophic losses not actuarially determined and at September 30, 2023, unrestricted net position of \$28,524,412 has been designated for this purpose.

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 21 - COMMITMENTS AND CONTINGENCIES

A. Litigation

Various suits and claims are currently pending against the County. It is impossible for the County to accurately quantify the exposure involved given the jury's latitude in assessing compensatory and punitive damages, and the court's latitude in awarding attorney's fees. The County intends to vigorously defend against these lawsuits and believes it has a good chance of prevailing on their merits. The County is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of management and based on the advice of legal counsel, the ultimate disposition of lawsuits will not have a material adverse effect on the financial position of the County.

B. Contracts and Other Commitments

The County has various contracts and commitments outstanding at September 30, 2023. In the General Fund, contracts are for janitorial services, beach park landscape and custodial maintenance, legislative consulting services and external auditing services. In the Special Revenue Funds, contracts include resurfacing from 53rd Street to the Merrill Barber Bridge, 11th Drive and 37th Street roadway and intersection improvements, 6th Avenue resurfacing from US Highway 1 to 21st Street, as well as a variety of other road paving and drainage projects. In the Capital Projects Fund, contracts are for 66th Avenue widening from 69th Street to 85th Street, several conservation area improvements as well as sidewalk and other road improvement projects throughout the County. In the Enterprise Funds, contracts are for construction of a new golf course clubhouse and golf course maintenance, South County Water Treatment Plant improvements, North County and West Wabasso septic to sewer conversions, and various other water and sewer projects. In the Internal Service Funds, contracts are for benefit administration services, GIS aerial imagery and website redesign and content management system.

A summary of these projects at September 30, 2023, is as follows:

	Total Contract Price	Total Paid as of September 30, 2023	Remaining Balance at September 30, 2023
General	\$ 2,539,416	\$ (1,143,958)	\$ 1,395,458
Special Revenue	31,811,627	(20,600,815)	11,210,812
Capital Projects	90,658,231	(53,402,466)	37,255,765
Enterprise	35,644,006	(17,744,479)	17,899,527
Internal Service	625,505	(194,885)	430,620
Total	<u>\$ 161,278,785</u>	<u>\$ (93,086,603)</u>	<u>\$ 68,192,182</u>

Indian River County, Florida
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 21 - COMMITMENTS AND CONTINGENCIES - Continued

C. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the County. In the opinion of management, any such adjustments would not be significant.

D. Opioid Settlements

The State of Florida has reached settlements totaling more than \$3 billion with manufacturers, distributors, and dispensers of opioids. These settlement funds will be distributed over an eighteen year term and allocated by the State to local governments throughout the State. During fiscal year 2023, the County received \$139,604 in opioid settlement funds. These funds are recorded in the Opioid Settlement special revenue fund. Based on current State of Florida estimates, the County will receive an additional \$2.1 million over the next seventeen years. This amount has been recorded as a receivable in the special revenue fund. Additional settlement funds not yet allocated may arise in the future based on the results of continued litigation.



Indian River County, Florida
Required Supplementary Information
For the Year Ended September 30, 2023

Schedule of the County's Proportionate Share of the Net Pension Liability
Florida Retirement System (FRS) Defined Benefit Pension Plan

Fiscal Year Ending September 30,	Plan Sponsor Measurement Date June 30,	County's Proportion of the FRS Net Pension Liability	County's Proportionate Share of the FRS Net Pension Liability	County's Covered Payroll	County's Proportionate Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2023	2023	0.3586%	\$ 142,901,121	\$ 83,364,944	171.42%	82.38%
2022	2022	0.3618%	\$ 134,613,856	\$ 79,919,767	168.43%	82.89%
2021	2021	0.3543%	\$ 26,765,303	\$ 76,213,600	35.12%	96.40%
2020	2020	0.3622%	\$ 156,966,332	\$ 71,329,133	220.06%	78.85%
2019	2019	0.3499%	\$ 120,518,805	\$ 68,038,591	177.13%	82.61%
2018	2018	0.3461%	\$ 104,240,729	\$ 65,771,799	158.49%	84.26%
2017	2017	0.3484%	\$ 103,046,280	\$ 64,801,659	159.02%	83.89%
2016	2016	0.3356%	\$ 84,737,012	\$ 60,358,527	140.39%	84.88%
2015	2015	0.3067%	\$ 39,616,455	\$ 57,879,163	68.45%	92.00%
2014	2014	0.3018%	\$ 18,416,343	\$ 55,095,601	33.43%	96.09%

Schedule of the County's Proportionate Share of the Net Pension Liability
Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Fiscal Year Ending September 30,	Plan Sponsor Measurement Date June 30,	County's Proportion of the HIS Net Pension Liability	County's Proportionate Share of the HIS Net Pension Liability	County's Covered Payroll	County's Proportionate Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2023	2023	0.2604%	\$ 41,350,877	\$ 103,607,779	39.91%	4.12%
2022	2022	0.2694%	\$ 28,533,117	\$ 98,236,706	29.04%	4.81%
2021	2021	0.2621%	\$ 32,150,250	\$ 92,838,069	34.63%	3.56%
2020	2020	0.2479%	\$ 30,268,499	\$ 86,079,134	35.16%	3.00%
2019	2019	0.2428%	\$ 27,171,124	\$ 81,262,395	33.44%	2.63%
2018	2018	0.2397%	\$ 25,374,133	\$ 78,355,087	32.39%	2.15%
2017	2017	0.2374%	\$ 25,383,666	\$ 75,720,001	33.52%	1.64%
2016	2016	0.2281%	\$ 26,578,559	\$ 70,444,190	37.73%	0.97%
2015	2015	0.2232%	\$ 22,760,252	\$ 67,812,302	33.56%	0.50%
2014	2014	0.2186%	\$ 20,441,863	\$ 64,984,255	31.46%	0.99%

Information on the above defined benefit pension plan's annual money-weighted rate of return on pension plan investments can be obtained in a separately issued report. Information may also be requested by calling the Florida Department of Management Services at (844) 377-1888 or online at frs.myflorida.com, click on publications, then annual reports.

Indian River County, Florida
Required Supplementary Information
For the Year Ended September 30, 2023

Schedule of the County's Contributions
Florida Retirement System (FRS) Defined Benefit Pension Plan

Fiscal Year Ending September 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	County's Covered Payroll	FRS Contributions as a Percentage of Covered Payroll
2023	\$ 17,998,343	\$ 17,998,343	\$ -	\$ 83,843,948	21.47%
2022	\$ 15,947,661	\$ 15,947,661	\$ -	\$ 81,482,300	19.57%
2021	\$ 14,077,715	\$ 14,077,715	\$ -	\$ 77,571,484	18.15%
2020	\$ 12,325,839	\$ 12,325,839	\$ -	\$ 71,928,506	17.14%
2019	\$ 11,186,468	\$ 11,186,468	\$ -	\$ 69,181,344	16.17%
2018	\$ 10,011,292	\$ 10,011,292	\$ -	\$ 65,642,971	15.26%
2017	\$ 9,099,495	\$ 9,099,495	\$ -	\$ 64,835,532	14.03%
2016	\$ 8,660,907	\$ 8,660,907	\$ -	\$ 61,851,481	14.01%
2015	\$ 7,503,166	\$ 7,503,166	\$ -	\$ 57,717,461	13.00%
2014	\$ 6,760,058	\$ 6,760,058	\$ -	\$ 56,156,975	11.94%

Schedule of the County's Contributions
Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Fiscal Year Ending September 30,	HIS Contractually Required Contribution	HIS Contributions in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	County's Covered Payroll	HIS Contributions as a Percentage of Covered Payroll
2023	\$ 1,816,550	\$ 1,816,550	\$ -	\$ 104,311,605	1.74%
2022	\$ 1,661,617	\$ 1,661,617	\$ -	\$ 100,277,283	1.66%
2021	\$ 1,572,285	\$ 1,572,285	\$ -	\$ 94,783,079	1.66%
2020	\$ 1,444,839	\$ 1,444,839	\$ -	\$ 87,086,582	1.66%
2019	\$ 1,373,064	\$ 1,373,064	\$ -	\$ 82,736,898	1.66%
2018	\$ 1,299,514	\$ 1,299,514	\$ -	\$ 78,304,866	1.66%
2017	\$ 1,262,482	\$ 1,262,482	\$ -	\$ 76,071,289	1.66%
2016	\$ 1,198,477	\$ 1,198,477	\$ -	\$ 72,247,706	1.66%
2015	\$ 918,200	\$ 918,200	\$ -	\$ 67,455,498	1.36%
2014	\$ 782,940	\$ 782,940	\$ -	\$ 66,229,010	1.18%

Indian River County, Florida
Required Supplementary Information
Fiscal Year Ended September 30, 2023

Schedules of Changes in Net OPEB Liability and Related Ratios

Fiscal year ending September 30,	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability			
Service cost	\$ 580,560	\$ 631,763	\$ 623,279
Interest on the total OPEB liability	2,035,476	1,980,301	1,997,034
Change of benefit terms	762,507	-	-
Difference between expected and actual experience	-	72,372	-
Changes of assumptions and other inputs	-	1,405,528	-
Benefit payments	(3,180,031)	(3,058,315)	(2,757,044)
Net change in total OPEB liability	<u>198,512</u>	<u>1,031,649</u>	<u>(136,731)</u>
Total OPEB liability - beginning	<u>34,934,061</u>	<u>33,902,412</u>	<u>34,039,143</u>
Total OPEB liability - ending (a)	<u><u>\$ 35,132,573</u></u>	<u><u>\$ 34,934,061</u></u>	<u><u>\$ 33,902,412</u></u>
Plan fiduciary net position			
Employer contributions	\$ 1,005,398	\$ 1,111,473	\$ 1,095,455
OPEB plan net investment income (loss)	3,037,898	(4,392,095)	4,283,465
Benefit payments	(3,180,031)	(3,058,315)	(2,757,044)
Net change in plan fiduciary net position	<u>863,265</u>	<u>(6,338,937)</u>	<u>2,621,876</u>
Plan fiduciary net position - beginning	<u>28,937,442</u>	<u>35,276,379</u>	<u>32,654,503</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 29,800,707</u></u>	<u><u>\$ 28,937,442</u></u>	<u><u>\$ 35,276,379</u></u>
Net OPEB liability(asset)- ending (a)-(b)	<u><u>\$ 5,331,866</u></u>	<u><u>\$ 5,996,619</u></u>	<u><u>\$ (1,373,967)</u></u>
Plan fiduciary net position as a percentage of total OPEB liability	84.82%	82.83%	104.05%
Covered payroll*	\$ 107,784,874	\$ 98,252,603	\$ 97,844,181
Net OPEB liability as a percentage of covered payroll	4.95%	6.10%	(1.40)%

Notes to Schedule:

Covered-employee payroll presented above is an estimate based on the data submitted for the valuation. GASB Statement 75 defined covered-employee payroll as the payroll of employees that are provided with OPEB through the OPEB Plan, including employees terminated during the measurement period (fiscal year ended September 30, 2023).

GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

2020	2019	2018	2017
\$ 638,013	\$ 528,585	\$ 498,665	\$ 673,067
1,953,393	1,943,022	2,443,943	2,405,638
-	-	-	-
2,869,333	-	2,762,722	-
(2,051,215)	-	(11,946,117)	-
(2,577,846)	(2,238,521)	(2,037,101)	(2,494,672)
831,678	233,086	(8,277,888)	584,033
33,207,465	32,974,379	41,252,267	40,668,234
\$ 34,039,143	\$ 33,207,465	\$ 32,974,379	\$ 41,252,267
\$ 2,206,025	\$ 2,178,500	\$ 2,461,947	\$ 2,274,341
2,518,479	1,047,018	1,425,540	2,387,483
(2,577,846)	(2,238,521)	(2,037,101)	(2,494,672)
2,146,658	986,997	1,850,386	2,167,152
30,507,845	29,520,848	27,670,462	25,503,310
\$ 32,654,503	\$ 30,507,845	\$ 29,520,848	\$ 27,670,462
\$ 1,384,640	\$ 2,699,620	\$ 3,453,531	\$ 13,581,805
95.93%	91.87%	89.53%	67.08%
\$ 88,630,805	\$ 82,697,197	\$ 80,387,008	\$ 77,080,800
1.56%	3.26%	4.30%	17.62%

Indian River County, Florida
Required Supplementary Information
For the Year Ended September 30, 2023

Schedule of OPEB Contributions

<u>FY Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2023	\$ 967,707	\$ 1,005,398	\$ (37,691)	\$ 107,784,874	0.93%
2022	\$ 927,450	\$ 1,111,473	\$ (184,023)	\$ 98,252,603	1.13%
2021	\$ 1,049,479	\$ 1,095,455	\$ (45,976)	\$ 97,844,181	1.12%
2020	\$ 1,005,952	\$ 2,206,025	\$ (1,200,073)	\$ 88,630,805	2.49%
2019	\$ 1,107,134	\$ 2,178,500	\$ (1,071,366)	\$ 82,697,197	2.63%
2018	\$ 1,061,118	\$ 2,461,947	\$ (1,400,829)	\$ 80,387,008	3.06%
2017	\$ 2,583,447	\$ 2,274,341	\$ 309,106	\$ 77,080,800	2.95%

Note: GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Indian River County, Florida

Required Supplementary Information

For the Year Ended September 30, 2023

Notes to Schedule of OPEB Contributions

Valuation Date: 10/1/2021
Notes: Actuarially determined contribution rates are calculated as of October 1, the beginning of the fiscal year preceding the year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	6 years
Asset Valuation Method	Market Value
Inflation	2.25%
Salary Increases	3.4% to 7.8%, including inflation; varies by plan type and years of service.
Investment Rate of Return	6.00%
Retirement Age	Experience-based table of rates that are specific to the plan and type of eligibility condition.
Mortality	Mortality tables used in July 1, 2020 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 to 2018 and include generational projections.
Health Care Trend Rates	Based on the Getzen Model, with trend starting at 6.0% and gradually decreasing to an ultimate trend rate of 3.75%.
Aging factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death". See Section C of the October 1, 2021, Actuarial Valuation Report dated March 16, 2022.
Expenses	Investment expenses are net of the investment returns; Administrative expenses are included in the per capita health costs.

Other Information:
Notes: Effective July 1, 2023, per Senate Bill 7024, the retirement eligibility for Special Risk members hired on or after July 1, 2011 was lowered to the earlier of: (1) age 55 with 6 years of creditable service, or (2) 25 years of creditable service regardless of age. In addition, the maximum DROP participation period was extended from 5 to 8 years for all eligible for DROP.

**Indian River County, Florida
Required Supplementary Information
For the Year Ended September 30, 2023**

Schedule of OPEB Investment Returns Multiyear

FY Ending September 30,	Annual Return*
2023	10.34%
2022	(12.27)%
2021	12.93%
2020	7.99%
2019	3.45%
2018	4.95%
2017	9.00%

**Annual money-weighted rate of return, net of
investment expenses.*

Note: GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS
AND
SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Court Services-	To account for the collection of court facility surcharges, additional court costs, and recording fees. Expenditures are for court technology, court services, and improvements made to court facilities.
Section 8 Rental Assistance-	To account for the provision of rental assistance for low income housing. Financing is provided by grants from the U.S. Department of Housing and Urban Development.
Secondary Roads Construction-	To account for the expenditures of road and bridge construction, roadway, bridge and right-of-way maintenance and drainage, and related administrative costs. Financing is provided by collections of the local option gas tax.
Special Law Enforcement-	To account for expenditures of law enforcement equipment. Financing is provided by confiscation of monies and property in accordance with Section 932.704 of the Florida Statutes.
Tree Ordinance Fines-	To account for fines assessed against individuals for illegal removal of protected trees. Funds are used for park improvements.
Tourist Development-	To account for the proceeds from the levy of a local option Tourist Development tax. Funds are used to attract tourism trade and for the benefit of County residents.
911 Surcharge-	To account for the receipt of the 911 surcharge collected on phone bills. Monies are used to pay the operating costs of the 911 Emergency Center.
Drug Abuse-	To account for the collection of fines on criminal drug cases. Monies are used for drug prevention and education programs.

State Housing Initiatives
Partnership-

To account for State funds distributed under the State Housing Initiatives Partnership Act. The purpose of this program is to provide for the creation and preservation of affordable housing. Funds are provided by the documentary stamp taxes.

Metropolitan Planning Organization-

To account for expenditures incurred for planning community transportation in the County. Financing is provided by grants.

Native Uplands Land Acquisition-

To account for expenditures related to the acquisition of native habitat preserve areas and for the management of such lands. Funding is provided by developers of property who pay to mitigate native uplands destruction where native upland plant communities will be destroyed.

CDBG Neighborhood Stabilization
Program-

To account for the proceeds from the Community Development Block Grant. The purpose of this grant is to provide neighborhood stabilization through resale and rental of housing units purchased by the grant funds.

Florida Boating Improvement Program-

To account for boat registration fees which may be used for providing recreational channel marking, public launching facilities, and other boating-related activities.

Disabled Access Program-

To account for fines assessed against individuals for illegal use of handicapped parking spaces.

Federal/State Grants-

To account for revenues and expenditures of various grants from Federal and State agencies.

Traffic Education Program-

To account for the proceeds of an additional \$3 add-on to traffic fines authorized by County Ordinance. Proceeds must be used for traffic education programs.

CARES Act and COVID-19
Response-

The CARES (Coronavirus Aid, Relief, and Economic Security) Act and COVID-19 Response Fund accounts for expenditures incurred for recovery from the health and economic impacts from COVID-19. Funding is provided from the CARES Act stimulus package and other County appropriations.

Land Acquisition-

To account for expenditures incurred in the purchase of environmentally sensitive land, preservation of water sources, historic sites and agricultural lands. Financing is provided by bond proceeds and state grants.

Opioid Settlements-

To account for expenditures related to opioid drug assessment, treatment, testing and wrap around services for the alternative court programs. Funding is provided from the State of Florida based on the County's share of settlements with Pharmaceutical Supply Chain Participants.

East Gifford Stormwater-

To account for expenditures of funds for stormwater improvements in the East Gifford Watershed. Funds are provided by non-ad valorem taxes.

Vero Lakes Estates-

To account for the expenditure of funds to improve roads in the Vero Lakes Estates subdivision. Funds are provided by the levying of special assessments.

Jackie Robinson Training
Complex Reserve-

To provide additional improvements to the Jackie Robinson Training Complex per a lease agreement. Funds are provided from tourist tax and one-cent sales tax.

Clerk Special Revenue-

To account for the proceeds from a special recording fee to be used for computer linkage and modernizing the Clerk of the Circuit Court and Comptroller's public records system.

Sheriff Special Revenue-	To account for the expenditure of grants, fines, and restricted revenues received by the Sheriff.
Supervisor of Elections Special Revenue-	To account for revenues and expenditures from state and federal grants for voter education, poll worker recruitment and training and other election related activities.
Street Lighting Districts-	To account for the costs of providing street lights. Financing is provided by the levying of special assessments.
CDBG Neighborhood Stabilization Program 3 Grant (NSP3)-	To account for the proceeds from the Community Development Block Neighborhood Stabilization Program 3 Grant. The purpose of this grant is to provide neighborhood stabilization through resale of housing units purchased with the grant funds.

DEBT SERVICE FUNDS

Spring Training Facility Bonds-	To account for the accumulation of State assistance monies pledged to pay the principal, interest, and fiscal charges on the Spring Training Facility Bonds.

MAJOR CAPITAL PROJECTS FUND

Optional Sales Tax-	To account for revenues generated by the local option one cent sales tax. Monies are used for various capital projects.

Indian River County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023

	Special Revenue		
	Court Services	Section 8 Rental Assistance	Secondary Roads Construction
ASSETS			
Cash and investments	\$ 272,651	\$ 464,327	\$ 11,383,389
Accounts receivable - net	-	1,302	-
Leases receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	800,640
Interest receivable	748	-	39,663
Inventories	-	-	-
Prepays and other assets	-	8,196	217
Total Assets	<u>\$ 273,399</u>	<u>\$ 473,825</u>	<u>\$ 12,223,909</u>
LIABILITIES			
Accounts payable	\$ 60,545	\$ 29,844	\$ 466,359
Retainage payable	-	-	369,978
Due to other funds	-	-	-
Due to other governments	-	-	-
Unearned revenues	-	7,125	-
Other deposits	-	-	1,953,169
Total Liabilities	<u>60,545</u>	<u>36,969</u>	<u>2,789,506</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - state and federal grants	-	-	275,432
Unavailable revenue - investment interest	419	-	22,190
Deferred inflows related to leases	-	-	-
Deferred inflows related to opioid settlements	-	-	-
Total Deferred Inflows of Resources	<u>419</u>	<u>-</u>	<u>297,622</u>
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	8,196	217
Restricted for:			
Transportation/road improvements	-	-	9,136,564
Court-related costs and improvements	212,435	-	-
Housing assistance	-	428,660	-
Law enforcement/public safety	-	-	-
Tourism-related activities	-	-	-
Boating related projects	-	-	-
Land acquisition	-	-	-
Stormwater, street lighting, and other special assessments	-	-	-
Drug treatment/mental health services	-	-	-
Debt service	-	-	-
Dodgertown repairs/improvements	-	-	-
Committed to:			
Environmental conservation/preservation	-	-	-
Law enforcement/public safety	-	-	-
Assigned to:			
Law enforcement/public safety	-	-	-
Coronavirus assistance	-	-	-
Unassigned (deficit)			
Total Fund Balances	<u>212,435</u>	<u>436,856</u>	<u>9,136,781</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 273,399</u>	<u>\$ 473,825</u>	<u>\$ 12,223,909</u>

Special Revenue

Special Law Enforcement	Tree Ordinance Fines	Tourist Development	911 Surcharge	Drug Abuse	State Housing Initiatives Partnership
\$ 403,264	\$ 2,232,457	\$ 3,149,988	\$ 1,269,844	\$ 384,913	\$ 3,679,552
-	-	-	-	-	-
-	-	-	-	-	-
124,514	-	-	-	-	-
-	-	-	77,218	-	156
1,405	7,956	10,904	4,456	1,351	13,149
-	-	-	-	-	-
-	-	-	29,680	-	10,000
<u>\$ 529,183</u>	<u>\$ 2,240,413</u>	<u>\$ 3,160,892</u>	<u>\$ 1,381,198</u>	<u>\$ 386,264</u>	<u>\$ 3,702,857</u>
\$ -	\$ -	\$ 121,359	\$ 9,751	\$ 11,854	\$ 56,359
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,951,867
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>121,359</u>	<u>9,751</u>	<u>11,854</u>	<u>2,008,226</u>
-	-	-	5,611	-	156
786	4,451	6,100	2,493	756	7,356
-	-	-	-	-	-
-	-	-	-	-	-
<u>786</u>	<u>4,451</u>	<u>6,100</u>	<u>8,104</u>	<u>756</u>	<u>7,512</u>
-	-	-	-	-	-
-	-	-	29,680	-	10,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,677,119
528,397	-	-	1,333,663	373,654	-
-	-	3,033,433	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,235,962	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>528,397</u>	<u>2,235,962</u>	<u>3,033,433</u>	<u>1,363,343</u>	<u>373,654</u>	<u>1,687,119</u>
<u>\$ 529,183</u>	<u>\$ 2,240,413</u>	<u>\$ 3,160,892</u>	<u>\$ 1,381,198</u>	<u>\$ 386,264</u>	<u>\$ 3,702,857</u>

Continued

Indian River County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023

	Special Revenue		
	Metropolitan Planning Organization	Native Uplands Land Acquisition	CDBG Neighborhood Stabilization Program
ASSETS			
Cash and investments	\$ 955	\$ 520,035	\$ 393,890
Accounts receivable - net	350	-	-
Leases receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	363,685	210,565	-
Interest receivable	-	1,844	541
Inventories	-	-	-
Prepays and other assets	-	-	-
Total Assets	<u>\$ 364,990</u>	<u>\$ 732,444</u>	<u>\$ 394,431</u>
LIABILITIES			
Accounts payable	\$ 222,154	\$ 3,750	\$ -
Retainage payable	-	-	-
Due to other funds	223,000	-	-
Due to other governments	-	-	-
Unearned revenues	-	-	-
Other deposits	-	-	-
Total Liabilities	<u>445,154</u>	<u>3,750</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - state and federal grants	263,178	210,565	-
Unavailable revenue - investment interest	-	1,032	303
Deferred inflows related to leases	-	-	-
Deferred inflows related to opioid settlements	-	-	-
Total Deferred Inflows of Resources	<u>263,178</u>	<u>211,597</u>	<u>303</u>
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Restricted for:			
Transportation/road improvements	-	-	-
Court-related costs and improvements	-	-	-
Housing assistance	-	-	394,128
Law enforcement/public safety	-	-	-
Tourism-related activities	-	-	-
Boating related projects	-	-	-
Land acquisition	-	-	-
Stormwater, street lighting, and other special assessments	-	-	-
Drug treatment/mental health services	-	-	-
Debt service	-	-	-
Dodgertown repairs/improvements	-	-	-
Committed to:			
Environmental conservation/preservation	-	517,097	-
Law enforcement/public safety	-	-	-
Assigned to:			
Law enforcement/public safety	-	-	-
Coronavirus assistance	-	-	-
Unassigned (deficit)	<u>(343,342)</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>(343,342)</u>	<u>517,097</u>	<u>394,128</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 364,990</u>	<u>\$ 732,444</u>	<u>\$ 394,431</u>

135

Indian River County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023

	Special Revenue		
	Opioid Settlements	East Gifford Stormwater	Vero Lakes Estates
ASSETS			
Cash and investments	\$ 78,385	\$ 30,548	\$ 1,846,925
Accounts receivable - net	-	-	-
Leases receivable	-	-	-
Due from other funds	-	13	1,886
Due from other governments	2,093,787	-	-
Interest receivable	336	108	6,553
Inventories	-	-	-
Prepays and other assets	-	-	-
Total Assets	<u>\$ 2,172,508</u>	<u>\$ 30,669</u>	<u>\$ 1,855,364</u>
LIABILITIES			
Accounts payable	\$ 5,178	\$ -	\$ 34
Retainage payable	-	-	-
Due to other funds	-	-	-
Due to other governments	-	-	-
Unearned revenues	-	-	-
Other deposits	-	-	-
Total Liabilities	<u>5,178</u>	<u>-</u>	<u>34</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - state and federal grants	-	-	-
Unavailable revenue - investment interest	188	60	3,666
Deferred inflows related to leases	-	-	-
Deferred inflows related to opioid settlements	2,093,787	-	-
Total Deferred Inflows of Resources	<u>2,093,975</u>	<u>60</u>	<u>3,666</u>
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Prepaid items	-	-	-
Restricted for:			
Transportation/road improvements	-	-	-
Court-related costs and improvements	-	-	-
Housing assistance	-	-	-
Law enforcement/public safety	-	-	-
Tourism-related activities	-	-	-
Boating related projects	-	-	-
Land acquisition	-	-	-
Stormwater, street lighting, and other special assessments	-	30,609	1,851,664
Drug treatment/mental health services	73,355	-	-
Debt service	-	-	-
Dodgertown repairs/improvements	-	-	-
Committed to:			
Environmental conservation/preservation	-	-	-
Law enforcement/public safety	-	-	-
Assigned to:			
Law enforcement/public safety	-	-	-
Coronavirus assistance	-	-	-
Unassigned (deficit)			
Total Fund Balances	<u>73,355</u>	<u>30,609</u>	<u>1,851,664</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,172,508</u>	<u>\$ 30,669</u>	<u>\$ 1,855,364</u>

Special Revenue

Jackie Robinson Training Complex Reserve	Clerk Special Revenue	Sheriff Special Revenue	Supervisor of Elections Special Revenue	Street Lighting Districts	CDBG NSP3 Grant
\$ 5,120,541	\$ 894,229	\$ 3,191,029	\$ -	\$ 542,773	\$ 363,648
-	22,154	408,790	-	-	-
53,832	-	-	-	-	-
-	-	-	-	2,114	-
-	-	-	-	-	-
17,939	-	-	-	1,962	1,285
-	-	31,567	-	-	-
-	97,116	-	-	-	-
<u>\$ 5,192,312</u>	<u>\$ 1,013,499</u>	<u>\$ 3,631,386</u>	<u>\$ -</u>	<u>\$ 546,849</u>	<u>\$ 364,933</u>
\$ 56,404	\$ 71,063	\$ 274,009	\$ -	\$ 13,780	\$ -
-	-	-	-	-	-
-	-	124,514	-	-	-
-	421	-	-	-	-
1,974	-	8,985	-	-	-
-	11,931	-	-	-	-
<u>58,378</u>	<u>83,415</u>	<u>407,508</u>	<u>-</u>	<u>13,780</u>	<u>-</u>
-	-	-	-	-	-
10,012	-	-	-	1,099	719
50,598	-	-	-	-	-
-	-	-	-	-	-
<u>60,610</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,099</u>	<u>719</u>
-	-	31,567	-	-	-
-	97,116	-	-	-	-
-	-	-	-	-	-
-	832,968	-	-	-	-
-	-	-	-	-	364,214
-	-	2,918,856	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	531,970	-
-	-	-	-	-	-
-	-	-	-	-	-
5,073,324	-	-	-	-	-
-	-	-	-	-	-
-	-	37,232	-	-	-
-	-	236,223	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,073,324</u>	<u>930,084</u>	<u>3,223,878</u>	<u>-</u>	<u>531,970</u>	<u>364,214</u>
<u>\$ 5,192,312</u>	<u>\$ 1,013,499</u>	<u>\$ 3,631,386</u>	<u>\$ -</u>	<u>\$ 546,849</u>	<u>\$ 364,933</u>

Continued

Indian River County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023

	<u>Debt Service</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Spring Training Facility Bonds</u>		
ASSETS			
Cash and investments	\$ 639,081	\$	39,627,623
Accounts receivable - net	-		582,596
Leases receivable	-		53,832
Due from other funds	-		128,527
Due from other governments	-		3,629,201
Interest receivable	2,367		122,493
Inventories	-		31,567
Prepays and other assets	-		145,209
Total Assets	<u>\$ 641,448</u>	<u>\$</u>	<u>44,321,048</u>
LIABILITIES			
Accounts payable	\$ -	\$	1,571,811
Retainage payable	-		381,068
Due to other funds	-		347,514
Due to other governments	-		421
Unearned revenues	-		1,969,951
Other deposits	-		1,965,100
Total Liabilities	<u>-</u>		<u>6,235,865</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - state and federal grants	-		907,262
Unavailable revenue - investment interest	1,324		68,507
Deferred inflows related to leases	-		50,598
Deferred inflows related to opioid settlements	-		2,093,787
Total Deferred Inflows of Resources	<u>1,324</u>		<u>3,120,154</u>
FUND BALANCES			
Nonspendable:			
Inventories	-		31,567
Prepaid items	-		145,209
Restricted for:			
Transportation/road improvements	-		9,136,564
Court-related costs and improvements	-		1,045,403
Housing assistance	-		2,864,121
Law enforcement/public safety	-		5,461,577
Tourism-related activities	-		3,033,433
Boating related projects	-		1,414,382
Land acquisition	-		870,185
Stormwater, street lighting, and other special assessments	-		2,414,243
Drug treatment/mental health services	-		73,355
Debt service	640,124		640,124
Dodgertown repairs/improvements	-		5,073,324
Committed to:			
Environmental conservation/preservation	-		2,753,059
Law enforcement/public safety	-		37,232
Assigned to:			
Law enforcement/public safety	-		236,223
Coronavirus assistance	-		80,690
Unassigned (deficit)	<u>-</u>		<u>(345,662)</u>
Total Fund Balances	<u>640,124</u>		<u>34,965,029</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 641,448</u>	<u>\$</u>	<u>44,321,048</u>



Indian River County, Florida
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2023

	Special Revenue		
	Court Services	Section 8 Rental Assistance	Secondary Roads Construction
REVENUES			
Taxes	\$ -	\$ -	\$ 3,828,665
Permits, fees and special assessments	-	-	-
Intergovernmental	-	3,484,395	4,814,522
Charges for services	524,388	55,234	-
Judgments, fines and forfeits	-	-	-
Investment income	10,656	15,789	367,487
Miscellaneous	-	-	134,812
Total revenues	535,044	3,555,418	9,145,486
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	8,963,012
Economic environment	-	-	-
Human services	-	3,457,818	-
Culture/recreation	-	-	-
Court related	753,374	-	-
Debt service:			
Principal	-	552	-
Interest and other fiscal charges	-	129	-
Total expenditures	753,374	3,458,499	8,963,012
Excess of revenues over (under) expenditures	(218,330)	96,919	182,474
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Lease financings	-	5,145	-
SBITA financings	-	-	-
Total other financing sources (uses)	-	5,145	-
Net changes in fund balances	(218,330)	102,064	182,474
Fund balances at beginning of year	430,765	334,792	8,954,307
Fund balances at end of year	\$ 212,435	\$ 436,856	\$ 9,136,781

Special Revenue

Special Law Enforcement	Tree Ordinance Fines	Tourist Development	911 Surcharge	Drug Abuse	State Housing Initiatives Partnership
\$ -	\$ -	\$ 2,040,462	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	889,331	-	779,777
57,699	-	-	-	-	164,284
164,546	822,825	-	-	30,319	-
15,320	74,881	93,103	44,933	14,090	123,108
-	-	-	403	-	-
<u>237,565</u>	<u>897,706</u>	<u>2,133,565</u>	<u>934,667</u>	<u>44,409</u>	<u>1,067,169</u>
-	-	-	-	-	-
-	-	-	571,434	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	36,454	797,776
-	65,181	1,151,008	-	-	-
-	-	-	-	-	-
-	-	-	99,797	-	-
-	-	-	572	-	-
<u>-</u>	<u>65,181</u>	<u>1,151,008</u>	<u>671,803</u>	<u>36,454</u>	<u>797,776</u>
<u>237,565</u>	<u>832,525</u>	<u>982,557</u>	<u>262,864</u>	<u>7,955</u>	<u>269,393</u>
-	-	186,895	-	-	-
(212,166)	-	-	(231,470)	-	-
-	-	-	-	-	-
-	-	-	92,255	-	-
<u>(212,166)</u>	<u>-</u>	<u>186,895</u>	<u>(139,215)</u>	<u>-</u>	<u>-</u>
25,399	832,525	1,169,452	123,649	7,955	269,393
502,998	1,403,437	1,863,981	1,239,694	365,699	1,417,726
<u>\$ 528,397</u>	<u>\$ 2,235,962</u>	<u>\$ 3,033,433</u>	<u>\$ 1,363,343</u>	<u>\$ 373,654</u>	<u>\$ 1,687,119</u>

Continued

Indian River County, Florida
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2023

	Special Revenue		
	Metropolitan Planning Organization	Native Uplands Land Acquisition	CDBG Neighborhood Stabilization Program
REVENUES			
Taxes	\$ -	\$ -	\$ -
Permits, fees and special assessments	-	-	-
Intergovernmental	365,891	-	483,999
Charges for services	-	-	-
Judgments, fines and forfeits	-	-	-
Investment income	-	19,809	1,370
Miscellaneous	-	-	30,029
Total revenues	<u>365,891</u>	<u>19,809</u>	<u>515,398</u>
EXPENDITURES			
Current:			
General government	699,592	-	-
Public safety	-	-	-
Physical environment	-	34,722	-
Transportation	-	-	-
Economic environment	-	-	71,523
Human services	-	-	-
Culture/recreation	-	-	-
Court related	-	-	-
Debt service:			
Principal	-	-	-
Interest and other fiscal charges	-	-	-
Total expenditures	<u>699,592</u>	<u>34,722</u>	<u>71,523</u>
Excess of revenues over (under) expenditures	<u>(333,701)</u>	<u>(14,913)</u>	<u>443,875</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Lease financings	-	-	-
SBITA financings	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(333,701)	(14,913)	443,875
Fund balances at beginning of year	<u>(9,641)</u>	<u>532,010</u>	<u>(49,747)</u>
Fund balances at end of year	<u>\$ (343,342)</u>	<u>\$ 517,097</u>	<u>\$ 394,128</u>

Special Revenue

Florida Boating Improvement Program	Disabled Access Program	Federal/State Grants	Traffic Education Program	CARES Act and COVID-19 Response	Land Acquisition
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
88,981	-	1,109,315	-	-	-
-	-	-	-	-	-
-	-	-	48,171	-	-
54,923	2,707	-	8,035	5,958	35,345
110,000	-	-	-	-	-
<u>253,904</u>	<u>2,707</u>	<u>1,109,315</u>	<u>56,206</u>	<u>5,958</u>	<u>35,345</u>
-	-	-	-	128,949	-
-	-	-	-	-	-
-	-	-	-	-	183,275
-	-	-	21,900	-	-
-	-	-	-	-	-
-	-	1,111,635	-	-	-
256,376	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>256,376</u>	<u>-</u>	<u>1,111,635</u>	<u>21,900</u>	<u>128,949</u>	<u>183,275</u>
<u>(2,472)</u>	<u>2,707</u>	<u>(2,320)</u>	<u>34,306</u>	<u>(122,991)</u>	<u>(147,930)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(2,472)</u>	<u>2,707</u>	<u>(2,320)</u>	<u>34,306</u>	<u>(122,991)</u>	<u>(147,930)</u>
<u>1,416,854</u>	<u>71,634</u>	<u>-</u>	<u>198,360</u>	<u>203,681</u>	<u>1,018,115</u>
<u>\$ 1,414,382</u>	<u>\$ 74,341</u>	<u>\$ (2,320)</u>	<u>\$ 232,666</u>	<u>\$ 80,690</u>	<u>\$ 870,185</u>

Continued

Indian River County, Florida
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2023

	Special Revenue		
	Opioid Settlements	East Gifford Stormwater	Vero Lakes Estates
REVENUES			
Taxes	\$ -	\$ 1	\$ 89
Permits, fees and special assessments	-	1,674	244,167
Intergovernmental	-	-	-
Charges for services	139,604	-	-
Judgments, fines and forfeits	-	-	-
Investment income	4,260	1,103	66,299
Miscellaneous	-	-	-
Total revenues	143,864	2,778	310,555
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Transportation	-	-	14,397
Economic environment	-	-	-
Human services	70,509	-	-
Culture/recreation	-	-	-
Court related	-	-	-
Debt service:			
Principal	-	-	-
Interest and other fiscal charges	-	-	-
Total expenditures	70,509	-	14,397
Excess of revenues over (under) expenditures	73,355	2,778	296,158
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	(78)	(5,898)
Lease financings	-	-	-
SBITA financings	-	-	-
Total other financing sources (uses)	-	(78)	(5,898)
Net changes in fund balances	73,355	2,700	290,260
Fund balances at beginning of year	-	27,909	1,561,404
Fund balances at end of year	\$ 73,355	\$ 30,609	\$ 1,851,664

Special Revenue

Jackie Robinson Training Complex Reserve	Clerk Special Revenue	Sheriff Special Revenue	Supervisor of Elections Special Revenue	Street Lighting Districts	CDBG NSP3 Grant
\$ 612,116	\$ -	\$ -	\$ -	\$ 1,947	\$ -
-	-	-	-	271,773	-
25,254	-	185,544	90,735	-	-
-	422,161	375,471	-	-	-
-	-	54,630	-	-	-
217,828	16,718	-	-	22,518	12,750
25,265	167,781	1,888,753	-	-	35,403
880,463	606,660	2,504,398	90,735	296,238	48,153
-	640,999	-	90,735	-	-
-	-	3,109,291	-	-	-
-	-	-	-	-	-
-	-	-	-	282,789	-
-	-	-	-	-	-
-	-	-	-	-	-
2,218,627	-	-	-	-	-
-	26,809	-	-	-	-
-	136,346	-	-	-	-
-	3,782	-	-	-	-
2,218,627	807,936	3,109,291	90,735	282,789	-
(1,338,164)	(201,276)	(604,893)	-	13,449	48,153
372,500	-	880,880	-	-	-
(560,685)	-	-	-	(9,819)	-
-	-	-	-	-	-
-	18,243	-	-	-	-
(188,185)	18,243	880,880	-	(9,819)	-
(1,526,349)	(183,033)	275,987	-	3,630	48,153
6,599,673	1,113,117	2,947,891	-	528,340	316,061
\$ 5,073,324	\$ 930,084	\$ 3,223,878	\$ -	\$ 531,970	\$ 364,214

Continued

Indian River County, Florida
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2023

	<u>Debt Service</u>	
	<u>Spring Training Facility Bonds</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES		
Taxes	\$ -	\$ 6,483,280
Permits, fees and special assessments	-	517,614
Intergovernmental	474,750	12,792,494
Charges for services	-	1,738,841
Judgments, fines and forfeits	-	1,120,491
Investment income	24,369	1,253,359
Miscellaneous	-	2,392,446
Total revenues	<u>499,119</u>	<u>26,298,525</u>
EXPENDITURES		
Current:		
General government	-	1,560,275
Public safety	-	3,680,725
Physical environment	-	217,997
Transportation	-	9,282,098
Economic environment	-	71,523
Human services	-	5,474,192
Culture/recreation	-	3,691,192
Court related	-	780,183
Debt service:		
Principal	320,000	556,695
Interest and other fiscal charges	154,750	159,233
Total expenditures	<u>474,750</u>	<u>25,474,113</u>
Excess of revenues over (under) expenditures	<u>24,369</u>	<u>824,412</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	1,440,275
Transfers out	-	(1,020,116)
Lease financings	-	5,145
SBITA financings	-	110,498
Total other financing sources (uses)	<u>-</u>	<u>535,802</u>
Net changes in fund balances	24,369	1,360,214
Fund balances at beginning of year	<u>615,755</u>	<u>33,604,815</u>
Fund balances at end of year	<u>\$ 640,124</u>	<u>\$ 34,965,029</u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Court Services Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Charges for services	\$ 646,895	\$ 524,388	\$ (122,507)
Investment income	200	10,656	10,456
Total revenues	<u>647,095</u>	<u>535,044</u>	<u>(112,051)</u>
EXPENDITURES			
Court related	803,966	753,374	50,592
Total expenditures	<u>803,966</u>	<u>753,374</u>	<u>50,592</u>
Net change in fund balances	(156,871)	(218,330)	(61,459)
Fund balances at beginning of year	<u>156,871</u>	<u>430,765</u>	<u>273,894</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 212,435</u></u>	<u><u>\$ 212,435</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Section 8 Rental Assistance Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 3,153,858	\$ 3,484,395	\$ 330,537
Charges for services	50,666	55,234	4,568
Investment income	-	15,789	15,789
Total revenues	<u>3,204,524</u>	<u>3,555,418</u>	<u>350,894</u>
EXPENDITURES			
Current:			
Human services	3,459,793	3,457,818	1,975
Debt Service:			
Principal	553	552	1
Interest and other fiscal charges	130	129	1
Total expenditures	<u>3,460,476</u>	<u>3,458,499</u>	<u>1,977</u>
Excess of revenues over (under) expenditures	<u>(255,952)</u>	<u>96,919</u>	<u>352,871</u>
OTHER FINANCING SOURCES (USES)			
Lease financings	-	5,145	5,145
Total other financing sources (uses)	<u>-</u>	<u>5,145</u>	<u>5,145</u>
Net change in fund balances	(255,952)	102,064	358,016
Fund balances at beginning of year	<u>255,952</u>	<u>334,792</u>	<u>78,840</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 436,856</u></u>	<u><u>\$ 436,856</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Secondary Roads Construction Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Taxes	\$ 3,484,600	\$ 3,828,665	\$ 344,065
Intergovernmental	5,661,478	4,814,522	(846,956)
Investment income	14,250	367,487	353,237
Miscellaneous	-	134,812	134,812
Total revenues	<u>9,160,328</u>	<u>9,145,486</u>	<u>(14,842)</u>
EXPENDITURES			
Transportation	<u>14,422,415</u>	<u>8,963,012</u>	<u>5,459,403</u>
Total expenditures	<u>14,422,415</u>	<u>8,963,012</u>	<u>5,459,403</u>
Net change in fund balances	(5,262,087)	182,474	5,444,561
Fund balances at beginning of year	<u>5,262,087</u>	<u>8,954,307</u>	<u>3,692,220</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 9,136,781</u>	<u>\$ 9,136,781</u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Special Law Enforcement Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Charges for services	\$ 54,292	\$ 57,699	\$ 3,407
Judgments, fines and forfeits	155,040	164,546	9,506
Investment income	5,702	15,320	9,618
Total revenues	<u>215,034</u>	<u>237,565</u>	<u>22,531</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(327,176)</u>	<u>(212,166)</u>	<u>115,010</u>
Total other financing sources (uses)	<u>(327,176)</u>	<u>(212,166)</u>	<u>115,010</u>
Net change in fund balances	(112,142)	25,399	137,541
Fund balances at beginning of year	<u>112,142</u>	<u>502,998</u>	<u>390,856</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 528,397</u></u>	<u><u>\$ 528,397</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Tree Ordinance Fines Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Judgments, fines and forfeits	\$ 50,000	\$ 822,825	\$ 772,825
Investment income	-	74,881	74,881
Total revenues	<u>50,000</u>	<u>897,706</u>	<u>847,706</u>
EXPENDITURES			
Culture/recreation	195,000	65,181	129,819
Total expenditures	<u>195,000</u>	<u>65,181</u>	<u>129,819</u>
Net change in fund balances	(145,000)	832,525	977,525
Fund balances at beginning of year	<u>145,000</u>	<u>1,403,437</u>	<u>1,258,437</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 2,235,962</u></u>	<u><u>\$ 2,235,962</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Tourist Development Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Taxes	\$ 1,425,114	\$ 2,040,462	\$ 615,348
Investment income	950	93,103	92,153
Total revenues	<u>1,426,064</u>	<u>2,133,565</u>	<u>707,501</u>
EXPENDITURES			
Culture/recreation	1,164,677	1,151,008	13,669
Total expenditures	<u>1,164,677</u>	<u>1,151,008</u>	<u>13,669</u>
Excess of revenues over (under) expenditures	<u>261,387</u>	<u>982,557</u>	<u>721,170</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	186,895	186,895
Total other financing sources (uses)	<u>-</u>	<u>186,895</u>	<u>186,895</u>
Net change in fund balances	261,387	1,169,452	908,065
Fund balances at beginning of year	<u>(261,387)</u>	<u>1,863,981</u>	<u>2,125,368</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 3,033,433</u></u>	<u><u>\$ 3,033,433</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 911 Surcharge Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 745,750	\$ 889,331	\$ 143,581
Investment income	-	44,933	44,933
Miscellaneous	-	403	403
Total revenues	<u>745,750</u>	<u>934,667</u>	<u>188,917</u>
EXPENDITURES			
Current:			
Public safety	981,346	571,434	409,912
Debt Service:			
Principal	99,798	99,797	1
Interest and other fiscal charges	572	572	-
Total expenditures	<u>1,081,716</u>	<u>671,803</u>	<u>409,913</u>
Excess of revenues over (under) expenditures	<u>(335,966)</u>	<u>262,864</u>	<u>598,830</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(231,470)	(231,470)	-
SBITA financings	-	92,255	92,255
Total other financing sources (uses)	<u>(231,470)</u>	<u>(139,215)</u>	<u>92,255</u>
Net change in fund balances	(567,436)	123,649	691,085
Fund balances at beginning of year	<u>567,436</u>	<u>1,239,694</u>	<u>672,258</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 1,363,343</u></u>	<u><u>\$ 1,363,343</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Drug Abuse Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Judgments, fines and forfeits	\$ 28,500	\$ 30,319	\$ 1,819
Investment income	-	14,090	14,090
Total revenues	<u>28,500</u>	<u>44,409</u>	<u>15,909</u>
EXPENDITURES			
Human services	50,000	36,454	13,546
Total expenditures	<u>50,000</u>	<u>36,454</u>	<u>13,546</u>
Net change in fund balances	(21,500)	7,955	29,455
Fund balances at beginning of year	<u>21,500</u>	<u>365,699</u>	<u>344,199</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 373,654</u></u>	<u><u>\$ 373,654</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 State Housing Initiatives Partnership Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,553,651	\$ 779,777	\$ (773,874)
Charges for services	250,000	164,284	(85,716)
Investment income	-	123,108	123,108
Total revenues	<u>1,803,651</u>	<u>1,067,169</u>	<u>(736,482)</u>
EXPENDITURES			
Human services	1,803,651	797,776	1,005,875
Total expenditures	<u>1,803,651</u>	<u>797,776</u>	<u>1,005,875</u>
Net change in fund balances	-	269,393	269,393
Fund balances at beginning of year	-	1,417,726	1,417,726
Fund balances at end of year	<u>\$ -</u>	<u>\$ 1,687,119</u>	<u>\$ 1,687,119</u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Metropolitan Planning Organization Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 834,936	\$ 365,891	\$ (469,045)
Total revenues	<u>834,936</u>	<u>365,891</u>	<u>(469,045)</u>
EXPENDITURES			
General government	<u>874,936</u>	<u>699,592</u>	<u>175,344</u>
Total expenditures	<u>874,936</u>	<u>699,592</u>	<u>175,344</u>
Net change in fund balances	(40,000)	(333,701)	(293,701)
Fund balances at beginning of year	<u>40,000</u>	<u>(9,641)</u>	<u>(49,641)</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ (343,342)</u></u>	<u><u>\$ (343,342)</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Native Uplands Land Acquisition Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 19,809	\$ 19,809
Total revenues	-	19,809	19,809
EXPENDITURES			
Physical environment	50,000	34,722	15,278
Culture/recreation	25,000	-	25,000
Total expenditures	75,000	34,722	40,278
Net change in fund balances	(75,000)	(14,913)	60,087
Fund balances at beginning of year	75,000	532,010	457,010
Fund balances at end of year	\$ -	\$ 517,097	\$ 517,097

Indian River County, Florida
 Budgetary Comparison Schedule
 CDBG Neighborhood Stabilization Program Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 269,995	\$ 483,999	\$ 214,004
Investment income	-	1,370	1,370
Miscellaneous	-	30,029	30,029
Total revenues	<u>269,995</u>	<u>515,398</u>	<u>245,403</u>
EXPENDITURES			
Economic environment	<u>270,995</u>	<u>71,523</u>	<u>199,472</u>
Total expenditures	<u>270,995</u>	<u>71,523</u>	<u>199,472</u>
Net change in fund balances	(1,000)	443,875	444,875
Fund balances at beginning of year	<u>1,000</u>	<u>(49,747)</u>	<u>(50,747)</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 394,128</u></u>	<u><u>\$ 394,128</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Florida Boating Improvement Program Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 241,295	\$ 88,981	\$ (152,314)
Investment income	-	54,923	54,923
Miscellaneous	200,000	110,000	(90,000)
Total revenues	<u>441,295</u>	<u>253,904</u>	<u>(187,391)</u>
EXPENDITURES			
Culture/recreation	<u>673,795</u>	<u>256,376</u>	<u>417,419</u>
Total expenditures	<u>673,795</u>	<u>256,376</u>	<u>417,419</u>
Net change in fund balances	(232,500)	(2,472)	230,028
Fund balances at beginning of year	<u>232,500</u>	<u>1,416,854</u>	<u>1,184,354</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 1,414,382</u></u>	<u><u>\$ 1,414,382</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Disabled Access Program Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 2,707	\$ 2,707
Total revenues	<u>-</u>	<u>2,707</u>	<u>2,707</u>
EXPENDITURES			
Human services	20,000	-	20,000
Total expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Net change in fund balances	(20,000)	2,707	22,707
Fund balances at beginning of year	<u>20,000</u>	<u>71,634</u>	<u>51,634</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 74,341</u></u>	<u><u>\$ 74,341</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Federal/State Grants Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,310,951	\$ 1,109,315	\$ (201,636)
Total revenues	<u>1,310,951</u>	<u>1,109,315</u>	<u>(201,636)</u>
EXPENDITURES			
Human services	1,310,951	1,111,635	199,316
Total expenditures	<u>1,310,951</u>	<u>1,111,635</u>	<u>199,316</u>
Net change in fund balances	-	(2,320)	(2,320)
Fund balances at beginning of year	-	-	-
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ (2,320)</u></u>	<u><u>\$ (2,320)</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Traffic Education Program Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Judgments, fines and forfeits	\$ 47,500	\$ 48,171	\$ 671
Investment income	-	8,035	8,035
Total revenues	<u>47,500</u>	<u>56,206</u>	<u>8,706</u>
EXPENDITURES			
Transportation	49,000	21,900	27,100
Total expenditures	<u>49,000</u>	<u>21,900</u>	<u>27,100</u>
Net change in fund balances	(1,500)	34,306	35,806
Fund balances at beginning of year	<u>1,500</u>	<u>198,360</u>	<u>196,860</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 232,666</u></u>	<u><u>\$ 232,666</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 CARES Act and COVID-19 Response Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 5,958	\$ 5,958
Total revenues	<u>-</u>	<u>5,958</u>	<u>5,958</u>
EXPENDITURES			
General government	258,388	128,949	129,439
Public safety	124	-	124
Human services	301,940	-	301,940
Total expenditures	<u>560,452</u>	<u>128,949</u>	<u>431,503</u>
Net change in fund balances	(560,452)	(122,991)	437,461
Fund balances at beginning of year	<u>560,452</u>	<u>203,681</u>	<u>(356,771)</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 80,690</u></u>	<u><u>\$ 80,690</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Land Acquisition Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 234,000	\$ -	\$ (234,000)
Investment income	-	35,345	35,345
Total revenues	<u>234,000</u>	<u>35,345</u>	<u>(198,655)</u>
EXPENDITURES			
Physical environment	1,134,000	183,275	950,725
Total expenditures	<u>1,134,000</u>	<u>183,275</u>	<u>950,725</u>
Net change in fund balances	(900,000)	(147,930)	752,070
Fund balances at beginning of year	<u>900,000</u>	<u>1,018,115</u>	<u>118,115</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 870,185</u></u>	<u><u>\$ 870,185</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Opioid Settlements Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Charges for services	\$ 139,604	\$ 139,604	\$ -
Investment income	1,567	4,260	2,693
Total revenues	<u>141,171</u>	<u>143,864</u>	<u>2,693</u>
EXPENDITURES			
Human services	-	70,509	(70,509)
Court related	141,171	-	141,171
Total expenditures	<u>141,171</u>	<u>70,509</u>	<u>70,662</u>
Net change in fund balances	-	73,355	73,355
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 73,355</u></u>	<u><u>\$ 73,355</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 East Gifford Stormwater Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Taxes	\$ -	\$ 1	\$ 1
Permits, fees and special assessments	940	1,674	734
Investment income	-	1,103	1,103
Total revenues	<u>940</u>	<u>2,778</u>	<u>1,838</u>
EXPENDITURES			
Transportation	<u>867</u>	<u>-</u>	<u>867</u>
Total expenditures	<u>867</u>	<u>-</u>	<u>867</u>
Excess of revenues over (under) expenditures	<u>73</u>	<u>2,778</u>	<u>2,705</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(78)</u>	<u>(78)</u>	<u>-</u>
Total other financing sources (uses)	<u>(78)</u>	<u>(78)</u>	<u>-</u>
Net change in fund balances	(5)	2,700	2,705
Fund balances at beginning of year	<u>5</u>	<u>27,909</u>	<u>27,904</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 30,609</u></u>	<u><u>\$ 30,609</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Vero Lakes Estates Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Taxes	\$ -	\$ 89	\$ 89
Permits, fees and special assessments	241,300	244,167	2,867
Investment income	-	66,299	66,299
Total revenues	<u>241,300</u>	<u>310,555</u>	<u>69,255</u>
EXPENDITURES			
Transportation	1,156,298	14,397	1,141,901
Total expenditures	<u>1,156,298</u>	<u>14,397</u>	<u>1,141,901</u>
Excess of revenues over (under) expenditures	<u>(914,998)</u>	<u>296,158</u>	<u>1,211,156</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(6,250)	(5,898)	352
Total other financing sources (uses)	<u>(6,250)</u>	<u>(5,898)</u>	<u>352</u>
Net change in fund balances	(921,248)	290,260	1,211,508
Fund balances at beginning of year	<u>921,248</u>	<u>1,561,404</u>	<u>640,156</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 1,851,664</u></u>	<u><u>\$ 1,851,664</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Jackie Robinson Training Complex Reserve Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Taxes	\$ 427,500	\$ 612,116	\$ 184,616
Intergovernmental	-	25,254	25,254
Investment income	-	217,828	217,828
Miscellaneous	-	25,265	25,265
Total revenues	<u>427,500</u>	<u>880,463</u>	<u>452,963</u>
EXPENDITURES			
Culture/recreation	5,680,136	2,218,627	3,461,509
Total expenditures	<u>5,680,136</u>	<u>2,218,627</u>	<u>3,461,509</u>
Excess of revenues over (under) expenditures	<u>(5,252,636)</u>	<u>(1,338,164)</u>	<u>3,914,472</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	372,500	372,500	-
Transfers out	-	(560,685)	(560,685)
Total other financing sources (uses)	<u>372,500</u>	<u>(188,185)</u>	<u>(560,685)</u>
Net change in fund balances	(4,880,136)	(1,526,349)	3,353,787
Fund balances at beginning of year	4,880,136	6,599,673	1,719,537
Fund balances at end of year	<u>\$ -</u>	<u>\$ 5,073,324</u>	<u>\$ 5,073,324</u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Clerk Special Revenue Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Charges for services	\$ 843,869	\$ 422,161	\$ (421,708)
Investment income	4,300	16,718	12,418
Miscellaneous	168,273	167,781	(492)
Total revenues	<u>1,016,442</u>	<u>606,660</u>	<u>(409,782)</u>
EXPENDITURES			
Current:			
General government	1,007,386	640,999	366,387
Court related	27,300	26,809	491
Debt Service:			
Principal	-	136,346	(136,346)
Interest and other fiscal charges	-	3,782	(3,782)
Total expenditures	<u>1,034,686</u>	<u>807,936</u>	<u>226,750</u>
Excess of revenues over (under) expenditures	<u>(18,244)</u>	<u>(201,276)</u>	<u>(183,032)</u>
OTHER FINANCING SOURCES (USES)			
SBITA financings	18,244	18,243	(1)
Total other financing sources (uses)	<u>18,244</u>	<u>18,243</u>	<u>(1)</u>
Net change in fund balances	-	(183,033)	(183,033)
Fund balances at beginning of year	-	1,113,117	1,113,117
Fund balances at end of year	<u>\$ -</u>	<u>\$ 930,084</u>	<u>\$ 930,084</u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Sheriff Special Revenue Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 185,544	\$ 185,544	\$ -
Charges for services	250,000	375,471	125,471
Judgments, fines and forfeits	60,000	54,630	(5,370)
Miscellaneous	1,888,753	1,888,753	-
Total revenues	<u>2,384,297</u>	<u>2,504,398</u>	<u>120,101</u>
EXPENDITURES			
Public safety	<u>3,380,187</u>	<u>3,109,291</u>	<u>270,896</u>
Total expenditures	<u>3,380,187</u>	<u>3,109,291</u>	<u>270,896</u>
Excess of revenues over (under) expenditures	<u>(995,890)</u>	<u>(604,893)</u>	<u>390,997</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>8,645,675</u>	<u>880,880</u>	<u>(7,764,795)</u>
Total other financing sources (uses)	<u>8,645,675</u>	<u>880,880</u>	<u>(7,764,795)</u>
Net change in fund balances	7,649,785	275,987	(7,373,798)
Fund balances at beginning of year	<u>(7,649,785)</u>	<u>2,947,891</u>	<u>10,597,676</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 3,223,878</u></u>	<u><u>\$ 3,223,878</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Supervisor of Elections Special Revenue Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 90,735	\$ 90,735	\$ -
Total revenues	<u>90,735</u>	<u>90,735</u>	<u>-</u>
EXPENDITURES			
General government	90,735	90,735	-
Total expenditures	<u>90,735</u>	<u>90,735</u>	<u>-</u>
Net change in fund balances	-	-	-
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 Street Lighting Districts Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Taxes	\$ -	\$ 1,947	\$ 1,947
Permits, fees and special assessments	263,823	271,773	7,950
Investment income	1,177	22,518	21,341
Total revenues	<u>265,000</u>	<u>296,238</u>	<u>31,238</u>
EXPENDITURES			
Transportation	371,631	282,789	88,842
Total expenditures	<u>371,631</u>	<u>282,789</u>	<u>88,842</u>
Excess of revenues over (under) expenditures	<u>(106,631)</u>	<u>13,449</u>	<u>120,080</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(10,406)	(9,819)	587
Total other financing sources (uses)	<u>(10,406)</u>	<u>(9,819)</u>	<u>587</u>
Net change in fund balances	(117,037)	3,630	120,667
Fund balances at beginning of year	<u>117,037</u>	<u>528,340</u>	<u>411,303</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 531,970</u></u>	<u><u>\$ 531,970</u></u>

Indian River County, Florida
 Budgetary Comparison Schedule
 CDBG NSP3 Grant Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 12,750	\$ 12,750
Miscellaneous	-	35,403	35,403
Total revenues	-	48,153	48,153
EXPENDITURES			
Economic environment	10,000	-	10,000
Total expenditures	10,000	-	10,000
Net change in fund balances	(10,000)	48,153	58,153
Fund balances at beginning of year	10,000	316,061	306,061
Fund balances at end of year	\$ -	\$ 364,214	\$ 364,214

Indian River County, Florida
 Budgetary Comparison Schedule
 Spring Training Facility Bonds Fund
 For the Year Ended September 30, 2023

	Final Budget	Actual Amounts	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 475,000	\$ 474,750	\$ (250)
Investment income	-	24,369	24,369
Total revenues	<u>475,000</u>	<u>499,119</u>	<u>24,119</u>
EXPENDITURES			
Debt service:			
Principal	320,000	320,000	-
Interest and other fiscal charges	<u>162,750</u>	<u>154,750</u>	<u>8,000</u>
Total expenditures	<u>482,750</u>	<u>474,750</u>	<u>8,000</u>
Net change in fund balances	(7,750)	24,369	32,119
Fund balances at beginning of year	<u>7,750</u>	<u>615,755</u>	<u>608,005</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 640,124</u></u>	<u><u>\$ 640,124</u></u>

Indian River County, Florida
Budgetary Comparison Schedule
Optional Sales Tax Capital Projects Fund
For the Year Ended September 30, 2023

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes	\$ 20,900,000	\$ 27,193,546	\$ 6,293,546
Intergovernmental	23,078,022	4,260,609	(18,817,413)
Investment income	190,000	3,453,365	3,263,365
Miscellaneous	225,000	-	(225,000)
Total revenues	<u>44,393,022</u>	<u>34,907,520</u>	<u>(9,485,502)</u>
EXPENDITURES			
Capital projects	<u>72,744,491</u>	<u>16,166,045</u>	<u>56,578,446</u>
Total expenditures	<u>72,744,491</u>	<u>16,166,045</u>	<u>56,578,446</u>
Excess of revenues over (under) expenditures	<u>(28,351,469)</u>	<u>18,741,475</u>	<u>47,092,944</u>
OTHER FINANCING USES			
Transfers out	<u>(10,487,990)</u>	<u>(2,959,392)</u>	<u>7,528,598</u>
Total other financing uses	<u>(10,487,990)</u>	<u>(2,959,392)</u>	<u>7,528,598</u>
Net change in fund balances	(38,839,459)	15,782,083	54,621,542
Fund balances at beginning of year	<u>38,839,459</u>	<u>84,221,410</u>	<u>45,381,951</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 100,003,493</u>	<u>\$ 100,003,493</u>



INTERNAL SERVICE FUNDS

Fleet Management-	To account for the expenses incurred to repair and maintain the County's vehicles and equipment. Revenues are generated by charging user departments for maintenance of their vehicles and equipment.
Self Insurance-	To account for the expenses incurred for worker's compensation claims, general and auto liability and property damage, and employee health insurance claims. Revenues are generated by charges to the various departments and funds based on past experience and actuarial estimates.
Information Technology-	To account for the expenses incurred for maintaining the County's computer services, geographic information and telecommunications systems. Revenues are generated by charging user departments based on their amount of computer equipment and their use of the geographic information and telecommunications systems.

Indian River County, Florida
Combining Statement of Net Position
Internal Service Funds
September 30, 2023

	Fleet Management	Self Insurance	Information Technology	Totals
ASSETS				
Current assets:				
Cash and investments	\$ 200,029	\$ 39,375,648	\$ 2,853,573	\$ 42,429,250
Accounts receivable - net	71,482	153,089	-	224,571
Due from other funds	-	7,848	-	7,848
Due from other governments	33,851	176	9,639	43,666
Interest receivable	605	133,700	10,931	145,236
Inventories	408,790	-	-	408,790
Prepays and other assets	1,649	2,349,194	600,501	2,951,344
Total current assets	716,406	42,019,655	3,474,644	46,210,705
Non-current assets:				
Capital assets - non-depreciable	-	-	337,699	337,699
Capital assets - depreciable	412,499	-	5,714,273	6,126,772
Capital assets - accumulated depreciation/amortization	(388,209)	-	(3,707,410)	(4,095,619)
Total non-current assets	24,290	-	2,344,562	2,368,852
Total assets	740,696	42,019,655	5,819,206	48,579,557
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	103,446	43,957	130,425	277,828
Deferred outflows related to other postemployment benefits	18,980	7,715	38,918	65,613
Total deferred outflows of resources	122,426	51,672	169,343	343,441
LIABILITIES				
Current liabilities (payable from current assets):				
Accounts payable	282,345	1,902,492	292,466	2,477,303
Claims payable	-	3,934,000	-	3,934,000
Other deposits	-	2,633	-	2,633
Accrued compensated absences	13,776	15,116	105,720	134,612
SBITA liability	-	-	807,315	807,315
Accrued interest payable	-	-	11,324	11,324
Total current liabilities (payable from current assets)	296,121	5,854,241	1,216,825	7,367,187
Non-current liabilities:				
Accrued compensated absences	7,852	9,184	103,487	120,523
Claims payable	-	7,422,724	-	7,422,724
Net pension liability	387,488	241,250	927,025	1,555,763
Net other postemployment benefits liability	16,462	6,283	36,921	59,666
Total non-current liabilities	411,802	7,679,441	1,067,433	9,158,676
Total liabilities	707,923	13,533,682	2,284,258	16,525,863
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	48,039	3,151	40,833	92,023
Deferred inflows related to other postemployment benefits	22,361	10,082	28,273	60,716
Total deferred inflows of resources	70,400	13,233	69,106	152,739
NET POSITION				
Net investment in capital assets	24,290	-	1,515,547	1,539,837
Unrestricted (deficit)	60,509	28,524,412	2,119,638	30,704,559
Total net position	\$ 84,799	\$ 28,524,412	\$ 3,635,185	\$ 32,244,396

Indian River County, Florida
Combining Statement of Revenues, Expenses,
and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2023

	<u>Fleet Management</u>	<u>Self Insurance</u>	<u>Information Technology</u>	<u>Totals</u>
OPERATING REVENUES				
Charges for services	\$ 3,923,804	\$ 33,133,395	\$ 4,893,345	\$ 41,950,544
Total revenues	<u>3,923,804</u>	<u>33,133,395</u>	<u>4,893,345</u>	<u>41,950,544</u>
OPERATING EXPENSES				
Personal services	429,873	2,629,386	2,266,468	5,325,727
Material, supplies, services and other operating	3,495,887	28,660,446	1,229,464	33,385,797
Depreciation	7,059	-	1,117,929	1,124,988
Total operating expenses	<u>3,932,819</u>	<u>31,289,832</u>	<u>4,613,861</u>	<u>39,836,512</u>
Operating income (loss)	<u>(9,015)</u>	<u>1,843,563</u>	<u>279,484</u>	<u>2,114,032</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	5,667	1,441,161	117,665	1,564,493
Insurance recoveries	-	5,943	-	5,943
Gain on disposal of assets	326	-	-	326
Interest expense	-	-	(16,163)	(16,163)
Loss on disposal of assets	(2,874)	-	(148,493)	(151,367)
Total nonoperating revenues (expenses)	<u>3,119</u>	<u>1,447,104</u>	<u>(46,991)</u>	<u>1,403,232</u>
Income (loss) before transfers	<u>(5,896)</u>	<u>3,290,667</u>	<u>232,493</u>	<u>3,517,264</u>
Capital grants and contributions	15,079	-	-	15,079
Transfers in (out)	-	46,489	-	46,489
Change in net position	<u>9,183</u>	<u>3,337,156</u>	<u>232,493</u>	<u>3,578,832</u>
Total net position - beginning	<u>75,616</u>	<u>25,187,256</u>	<u>3,402,692</u>	<u>28,665,564</u>
Total net position - ending	<u>\$ 84,799</u>	<u>\$ 28,524,412</u>	<u>\$ 3,635,185</u>	<u>\$ 32,244,396</u>

Indian River County, Florida
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2023

	Fleet Management	Self Insurance	Information Technology	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 4,054,429	\$ 33,623,552	\$ 4,899,015	\$ 42,576,996
Cash paid to suppliers for goods and services	(3,456,682)	(27,985,164)	(1,686,113)	(33,127,959)
Cash paid to employees for services	(389,965)	(2,591,451)	(2,013,362)	(4,994,778)
Net cash provided by (used in) operating activities	<u>207,782</u>	<u>3,046,937</u>	<u>1,199,540</u>	<u>4,454,259</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers	-	46,489	-	46,489
Insurance recoveries	-	5,943	-	5,943
Net cash provided by noncapital financing activities	<u>-</u>	<u>52,432</u>	<u>-</u>	<u>52,432</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments on long-term debt	-	-	(485,482)	(485,482)
Interest paid on long-term debt	-	-	(4,839)	(4,839)
Proceeds from advances from other funds	(35,000)	-	-	(35,000)
Proceeds from the sale of capital assets	326	-	-	326
Purchase of capital assets	-	-	(644,441)	(644,441)
Net cash provided by (used in) capital and related financing activities	<u>(34,674)</u>	<u>-</u>	<u>(1,134,762)</u>	<u>(1,169,436)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends on investments	<u>5,131</u>	<u>1,341,754</u>	<u>109,504</u>	<u>1,456,389</u>
Net cash provided by investing activities	<u>5,131</u>	<u>1,341,754</u>	<u>109,504</u>	<u>1,456,389</u>
Net increase (decrease) in cash and investments	178,239	4,441,123	174,282	4,793,644
Cash and investments at beginning of year	<u>21,790</u>	<u>34,934,525</u>	<u>2,679,291</u>	<u>37,635,606</u>
Cash and investments at end of year	<u>\$ 200,029</u>	<u>\$ 39,375,648</u>	<u>\$ 2,853,573</u>	<u>\$ 42,429,250</u>
Classified as:				
Current assets	<u>\$ 200,029</u>	<u>\$ 39,375,648</u>	<u>\$ 2,853,573</u>	<u>\$ 42,429,250</u>

Indian River County, Florida
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2023

	<u>Fleet Management</u>	<u>Self Insurance</u>	<u>Information Technology</u>	<u>Totals</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (9,015)	\$ 1,843,563	\$ 279,484	\$ 2,114,032
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	7,059	-	1,117,929	1,124,988
(Increase) decrease in assets:				
Accounts receivable	133,772	498,006	5,670	637,448
Due from other funds	-	(7,848)	-	(7,848)
Due from other governments	(3,147)	(1)	-	(3,148)
Inventories	(78,865)	-	-	(78,865)
Prepays and other assets	(893)	(481,987)	(415,080)	(897,960)
Increase (decrease) in liabilities:				
Accounts payable	118,963	161,778	(41,569)	239,172
Net pension liability	36,774	28,225	183,520	248,519
Deferred inflows related to pension	323	249	1,614	2,186
Deferred outflows related to pension	7,365	5,651	36,753	49,769
Net OPEB liability	(2,061)	(798)	(5,783)	(8,642)
Deferred inflows related to OPEB	(3,764)	(1,458)	(10,564)	(15,786)
Deferred outflows related to OPEB	7,299	2,826	20,483	30,608
Claims payable	-	995,491	-	995,491
Accrued compensated absences	(6,028)	3,240	27,083	24,295
Total adjustments	216,797	1,203,374	920,056	2,340,227
Net cash provided by (used in) operating activities	<u>\$ 207,782</u>	<u>\$ 3,046,937</u>	<u>\$ 1,199,540</u>	<u>\$ 4,454,259</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contributed property, infrastructure, and equipment	\$ 15,079	\$ -	\$ -	\$ 15,079
Capital assets purchased through lease/SBITA	\$ -	\$ -	\$ 74,038	\$ 74,038
Capital assets purchased through accounts payable	\$ -	\$ -	\$ 21,700	\$ 21,700



Statistical Section

This part of the Indian River County Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends (Schedules 1 - 5) These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	184-194
Revenue Capacity (Schedules 6 - 9) These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	195-199
Debt Capacity (Schedules 10 - 13) These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	200-204
Demographic and Economic Information (Schedules 14 - 15) These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	206-207
Operating Information (Schedules 16 - 19) These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	208-219
Additional Disclosures (Schedules 20 - 25) These schedules provide historical information for the County's water and sewer system, required disclosures for the spring training facility revenue bonds, and required information on dependent special districts.	220-227

Sources:

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

Indian River County, Florida
Net Position by Component (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017
Governmental activities				
Net investment in capital assets	\$ 514,764,316	\$ 520,214,002	\$ 533,304,941	\$ 542,933,904
Restricted	116,203,827	128,580,087	132,069,178	150,132,598
Unrestricted (Deficit)	72,873,567	7,158,887	5,985,180	(1,350,721)
Total governmental activities net position	<u>\$ 703,841,710</u>	<u>\$ 655,952,976</u>	<u>\$ 671,359,299</u>	<u>\$ 691,715,781</u>
Business-type activities				
Net investment in capital assets	\$ 211,660,190	\$ 213,114,279	\$ 206,497,575	\$ 201,774,405
Unrestricted	88,420,541	91,057,348	100,336,692	107,047,824
Total business-type activities net position	<u>\$ 300,080,731</u>	<u>\$ 304,171,627</u>	<u>\$ 306,834,267</u>	<u>\$ 308,822,229</u>
Primary government				
Net investment in capital assets	\$ 726,424,506	\$ 733,328,281	\$ 739,802,516	\$ 744,708,309
Restricted	116,203,827	128,580,087	132,069,178	150,132,598
Unrestricted	161,294,108	98,216,235	106,321,872	105,697,103
Total primary government net position	<u>\$ 1,003,922,441</u>	<u>\$ 960,124,603</u>	<u>\$ 978,193,566</u>	<u>\$ 1,000,538,010</u>

2018	2019	2020	2021	2022	2023
\$ 553,586,726	\$ 569,410,018	\$ 592,232,052	\$ 607,995,429	\$ 647,232,130	\$ 655,873,502
159,375,667	171,911,419	181,876,656	199,580,938	196,881,031	217,139,454
(21,032,366)	(34,540,764)	(35,583,743)	(23,215,166)	(12,942,182)	(18,577,597)
<u>\$ 691,930,027</u>	<u>\$ 706,780,673</u>	<u>\$ 738,524,965</u>	<u>\$ 784,361,201</u>	<u>\$ 831,170,979</u>	<u>\$ 854,435,359</u>
\$ 197,842,084	\$ 212,240,133	\$ 221,342,196	\$ 222,216,022	\$ 224,233,173	\$ 227,983,165
113,467,530	106,508,242	99,207,097	102,570,346	104,604,773	108,860,506
<u>\$ 311,309,614</u>	<u>\$ 318,748,375</u>	<u>\$ 320,549,293</u>	<u>\$ 324,786,368</u>	<u>\$ 328,837,946</u>	<u>\$ 336,843,671</u>
\$ 751,428,810	\$ 781,650,151	\$ 813,574,248	\$ 830,211,451	\$ 871,465,303	\$ 883,856,667
159,375,667	171,911,419	181,876,656	199,580,938	196,881,031	217,139,454
92,435,164	71,967,478	63,623,354	79,355,180	91,662,591	90,282,909
<u>\$ 1,003,239,641</u>	<u>\$ 1,025,529,048</u>	<u>\$ 1,059,074,258</u>	<u>\$ 1,109,147,569</u>	<u>\$ 1,160,008,925</u>	<u>\$ 1,191,279,030</u>

Indian River County, Florida
Changes in Net Position (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017
<u>Expenses</u>				
Governmental activities:				
General government	\$ 22,968,835	\$ 24,732,636	\$ 27,472,414	\$ 25,936,632
Public safety	66,954,956	66,364,113	77,587,638	83,312,452
Physical environment	1,031,710	1,636,749	1,457,248	2,312,036
Transportation	23,577,720	25,992,461	28,221,515	28,844,114
Economic environment	1,084,204	421,057	427,227	439,460
Human service	7,136,042	7,352,777	7,790,430	8,030,927
Cultural/recreation	16,610,269	17,011,188	14,713,304	16,000,837
Court related	6,360,814	6,677,054	7,077,295	7,241,707
Interest and fiscal charges	1,944,229	1,013,527	938,123	763,636
Total governmental activities expenses	147,668,779	151,201,562	165,685,194	172,881,801
Business-type activities:				
Water and sewer	35,821,287	35,223,882	35,420,291	38,609,232
Solid waste	10,801,408	11,708,383	12,714,713	14,542,100
Golf course	2,588,424	2,498,397	2,605,612	2,693,389
Building	1,833,528	7,085,190	2,724,650	3,504,086
Total business-type activities expenses	51,044,647	56,515,852	53,465,266	59,348,807
Total primary government expenses	\$ 198,713,426	\$ 207,717,414	\$ 219,150,460	\$ 232,230,608
<u>Program Revenues</u>				
Governmental activities:				
Charges for services:				
General government	\$ 5,895,424	\$ 6,641,363	\$ 7,192,821	\$ 6,436,467
Public safety	8,025,849	6,457,584	8,244,224	8,557,148
Physical environment	20,970	-	9,153	9,650
Transportation	3,365,961	4,273,591	4,508,637	4,139,569
Human service	211,294	277,279	165,041	201,484
Cultural/recreation	1,883,347	1,941,993	2,405,951	2,723,416
Court related	3,592,298	3,308,235	2,394,385	3,214,658
Operating grants and contributions	22,229,254	24,872,734	24,587,446	32,161,715
Capital grants and contributions	7,521,538	11,671,085	5,969,099	6,820,530
Total governmental activities program revenues	52,745,935	59,443,864	55,476,757	64,264,637
Business-type activities:				
Charges for services:				
Water and sewer	29,565,901	30,089,101	31,089,758	32,020,230
Solid waste	10,272,415	11,455,302	13,345,745	13,784,379
Golf course	3,080,960	3,235,879	3,230,630	3,219,311
Building	2,417,724	2,958,488	3,406,022	3,742,659
Operating grants and contributions	-	-	-	1,523,631
Capital grants and contributions	5,032,042	8,616,416	5,035,914	6,108,117
Total business-type activities program revenues	50,369,042	56,355,186	56,108,069	60,398,327
Total primary government program revenues	\$ 103,114,977	\$ 115,799,050	\$ 111,584,826	\$ 124,662,964

2018	2019	2020	2021	2022	2023
\$ 28,331,287	\$ 31,389,285	\$ 32,530,843	\$ 29,399,931	\$ 35,060,804	\$ 41,626,673
85,963,087	100,559,725	110,273,562	95,656,888	112,666,307	141,993,977
1,610,264	1,929,479	4,689,444	3,686,818	2,203,360	1,814,101
34,860,409	31,169,505	29,192,110	29,496,592	30,960,446	36,963,699
422,142	471,588	731,507	3,815,959	1,025,808	674,082
9,346,942	9,647,749	11,647,461	18,578,036	11,621,358	13,123,521
15,399,398	17,877,861	16,485,742	16,405,029	17,827,488	37,409,145
7,038,280	7,906,671	7,286,197	7,417,305	7,453,043	9,517,049
668,269	460,704	496,647	193,268	203,462	311,365
<u>183,640,078</u>	<u>201,412,567</u>	<u>213,333,513</u>	<u>204,649,826</u>	<u>219,022,076</u>	<u>283,433,612</u>
38,257,678	45,076,191	42,817,472	41,609,227	46,701,084	49,156,950
15,756,764	14,731,205	15,828,035	17,327,560	18,627,612	21,429,708
2,785,664	2,870,275	2,814,165	3,026,386	3,260,014	3,779,685
3,908,938	4,675,422	5,029,336	4,809,807	5,366,100	6,182,625
<u>60,709,044</u>	<u>67,353,093</u>	<u>66,489,008</u>	<u>66,772,980</u>	<u>73,954,810</u>	<u>80,548,968</u>
<u>\$ 244,349,122</u>	<u>\$ 268,765,660</u>	<u>\$ 279,822,521</u>	<u>\$ 271,422,806</u>	<u>\$ 292,976,886</u>	<u>\$ 363,982,580</u>
\$ 7,029,378	\$ 8,022,184	\$ 8,216,420	\$ 9,677,435	\$ 9,015,728	\$ 10,376,723
8,389,034	8,425,164	8,668,917	9,246,495	10,407,861	10,896,636
9,192	9,350	2,150	268,135	41,645	2,800
5,098,549	5,357,114	7,268,659	10,365,424	9,383,448	6,812,792
458,452	151,861	314,202	515,156	504,587	219,518
3,136,349	3,224,903	2,106,421	2,835,866	3,168,849	3,150,385
3,225,394	3,658,067	2,816,548	3,466,990	3,260,825	3,407,508
28,765,842	29,402,984	48,590,589	44,137,317	46,116,228	50,743,707
7,158,737	4,168,347	8,352,887	10,961,650	14,445,867	13,658,206
<u>63,270,927</u>	<u>62,419,974</u>	<u>86,336,793</u>	<u>91,474,468</u>	<u>96,345,038</u>	<u>99,268,275</u>
32,834,696	34,050,737	34,484,220	37,069,899	39,324,704	41,165,043
14,769,028	15,837,635	16,636,375	18,066,665	19,877,884	21,365,801
3,216,513	3,306,251	3,234,590	4,081,805	4,408,287	4,877,674
4,673,531	3,555,314	3,556,867	4,544,591	5,396,602	6,012,581
1,465,891	8,336	243,189	646	-	3
6,737,992	13,990,806	8,029,748	6,915,639	10,785,633	9,523,892
<u>63,697,651</u>	<u>70,749,079</u>	<u>66,184,989</u>	<u>70,679,245</u>	<u>79,793,110</u>	<u>82,944,994</u>
<u>\$ 126,968,578</u>	<u>\$ 133,169,053</u>	<u>\$ 152,521,782</u>	<u>\$ 162,153,713</u>	<u>\$ 176,138,148</u>	<u>\$ 182,213,269</u>

Continued

Indian River County, Florida
Changes in Net Position (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017
Net (Expense)/Revenue				
Governmental activities	\$ (94,922,844)	\$ (91,757,698)	\$ (110,208,437)	\$ (108,617,164)
Business-type activities	(675,605)	4,839,334	2,642,803	1,049,520
Total primary government net expenses	<u>\$ (95,598,449)</u>	<u>\$ (86,918,364)</u>	<u>\$ (107,565,634)</u>	<u>\$ (107,567,644)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes, levied for general purposes	\$ 67,985,321	\$ 71,825,109	\$ 80,100,810	\$ 85,572,692
Property taxes, levied for debt service	4,730,556	4,795,927	4,594,381	4,619,804
Sales and use taxes	21,860,958	23,549,042	24,387,340	25,564,904
Franchise fees	9,310,711	9,180,652	9,273,567	9,130,133
Interest earnings (loss)	542,542	1,051,822	1,333,048	1,474,698
Miscellaneous	2,459,033	1,799,538	5,141,162	2,694,082
Transfers	(44,000)	(3,057,421)	784,452	(82,667)
Total governmental activities	<u>106,845,121</u>	<u>109,144,669</u>	<u>125,614,760</u>	<u>128,973,646</u>
Business-type activities:				
Interest earnings (loss)	381,497	625,525	791,683	818,490
Miscellaneous	331	56,887	12,606	37,285
Transfers	44,000	3,057,421	(784,452)	82,667
Total business-type activities	<u>425,828</u>	<u>3,739,833</u>	<u>19,837</u>	<u>938,442</u>
Total primary government	<u>\$ 107,270,949</u>	<u>\$ 112,884,502</u>	<u>\$ 125,634,597</u>	<u>\$ 129,912,088</u>
Change in Net Position				
Governmental activities	\$ 11,922,277	\$ 17,386,971	\$ 15,406,323	\$ 20,356,482
Business-type activities	(249,777)	8,579,167	2,662,640	1,987,962
Total primary government change in net position	<u>\$ 11,672,500</u>	<u>\$ 25,966,138</u>	<u>\$ 18,068,963</u>	<u>\$ 22,344,444</u>

Notes:

(A) Limited General Obligation Note paid off in fiscal year 2020.

2018	2019	2020	2021	2022	2023
\$ (120,369,151) 2,988,607	\$ (138,992,593) 3,395,986	\$ (126,996,720) (304,019)	\$ (113,175,358) 3,906,265	\$ (122,677,038) 5,838,300	\$ (184,165,337) 2,396,026
<u>\$ (117,380,544)</u>	<u>\$ (135,596,607)</u>	<u>\$ (127,300,739)</u>	<u>\$ (109,269,093)</u>	<u>\$ (116,838,738)</u>	<u>\$ (181,769,311)</u>
\$ 94,003,409 4,636,034 27,083,593 9,447,649 2,768,691 2,906,764 (85,616)	\$ 100,483,536 4,744,345 27,458,882 9,124,073 8,494,530 3,728,033 (190,160)	\$ 109,831,793 4,608,719 26,552,956 9,005,020 5,104,542 3,745,498 (107,516)	\$ 115,590,183 - (A) 30,706,183 9,463,082 341,974 3,022,250 (112,078)	\$ 121,642,658 - 35,574,613 10,763,690 (7,174,110) 8,766,962 (86,997)	\$ 138,007,231 - 37,235,294 12,022,990 15,746,989 5,010,486 (593,273)
<u>140,760,524</u>	<u>153,843,239</u>	<u>158,741,012</u>	<u>159,011,594</u>	<u>169,486,816</u>	<u>207,429,717</u>
1,302,025 29,650 85,616	3,813,252 39,363 190,160	1,991,158 6,263 107,516	181,819 36,913 112,078	(2,147,970) 274,251 86,997	4,952,135 64,291 593,273
<u>1,417,291</u>	<u>4,042,775</u>	<u>2,104,937</u>	<u>330,810</u>	<u>(1,786,722)</u>	<u>5,609,699</u>
<u>\$ 142,177,815</u>	<u>\$ 157,886,014</u>	<u>\$ 160,845,949</u>	<u>\$ 159,342,404</u>	<u>\$ 167,700,094</u>	<u>\$ 213,039,416</u>
\$ 20,391,373 4,405,898	\$ 14,850,646 7,438,761	\$ 31,744,292 1,800,918	\$ 45,836,236 4,237,075	\$ 46,809,778 4,051,578	\$ 23,264,380 8,005,725
<u>\$ 24,797,271</u>	<u>\$ 22,289,407</u>	<u>\$ 33,545,210</u>	<u>\$ 50,073,311</u>	<u>\$ 50,861,356</u>	<u>\$ 31,270,105</u>

Indian River County, Florida
Fund Balances, Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017
General Fund				
Nonspendable	\$ 1,134,846	\$ 459,546	\$ 371,121	\$ 1,183,875
Restricted	1,000,000	1,000,000	1,000,000	1,246,278
Committed	1,223,183	1,092,575	1,166,830	1,655,789
Assigned	- (A)	-	-	-
Unassigned	48,320,836	47,727,109	45,909,787	43,334,507
Total general fund	<u>\$ 51,678,865</u>	<u>\$ 50,279,230</u>	<u>\$ 48,447,738</u>	<u>\$ 47,420,449</u>
All other governmental funds				
Nonspendable	\$ 39,337	\$ 69,907	\$ 121,906	\$ 217,550
Restricted	112,266,321	120,531,318	127,285,732	133,714,625
Committed	1,492,929	1,504,391	1,401,530	1,515,217
Assigned	8,139,695	7,139,358	7,118,668	7,400,390
Unassigned deficit	(201,587)	(439,479)	-	(290,542)
Total all other governmental funds	<u>\$ 121,736,695</u>	<u>\$ 128,805,495</u>	<u>\$ 135,927,836</u>	<u>\$ 142,557,240</u>
Total governmental funds	<u>\$ 173,415,560</u>	<u>\$ 179,084,725</u>	<u>\$ 184,375,574</u>	<u>\$ 189,977,689</u>

Notes:

(A) Budget appropriation of fund balance to balance budget no longer necessary.

2018	2019	2020	2021	2022	2023
\$ 976,972	\$ 614,277	\$ 777,974	\$ 757,345	\$ 956,993	\$ 762,871
1,139,811	1,001,230	815,990	792,120	792,120	761,354
1,627,628	1,310,621	1,214,785	1,290,006	1,456,158	581,436
-	-	-	-	-	-
47,904,588	52,768,642	56,299,820	67,035,509	77,682,620	89,854,797
<u>\$ 51,648,999</u>	<u>\$ 55,694,770</u>	<u>\$ 59,108,569</u>	<u>\$ 69,874,980</u>	<u>\$ 80,887,891</u>	<u>\$ 91,960,458</u>
\$ 199,134	\$ 145,165	\$ 219,292	\$ 338,924	\$ 437,606	\$ 430,097
153,053,248	166,534,476	169,805,890	176,562,298	175,951,865	195,322,755
1,610,299	1,478,993	1,119,342	1,430,822	1,964,173	2,790,291
7,620,206	8,666,836	9,470,790	14,298,624	12,714,110	16,330,939
(2,400)	(160,530)	(317,815)	(97,076)	(5,900,582)	(4,412,991)
<u>\$ 162,480,487</u>	<u>\$ 176,664,940</u>	<u>\$ 180,297,499</u>	<u>\$ 192,533,592</u>	<u>\$ 185,167,172</u>	<u>\$ 210,461,091</u>
<u>\$ 214,129,486</u>	<u>\$ 232,359,710</u>	<u>\$ 239,406,068</u>	<u>\$ 262,408,572</u>	<u>\$ 266,055,063</u>	<u>\$ 302,421,549</u>

Indian River County, Florida
Changes in Fund Balances, Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017
Revenues				
Taxes	\$ 94,585,345	\$ 100,170,078	\$ 109,082,531	\$ 115,757,400
Permits, fees, and special assessments	14,321,389	15,567,731	16,530,179	15,900,775
Intergovernmental	30,563,650	32,065,821	33,535,027	30,031,350
Charges for services	18,076,888	18,558,182	15,532,928	16,006,929
Judgments, fines and forfeits	1,004,374	897,860	1,672,773	1,620,964
Investment income (loss)	463,274	894,705	1,133,215	1,287,415
Miscellaneous	3,221,548	2,470,553	8,158,393	6,392,927
Total Revenues	162,236,468	170,624,930	185,645,046	186,997,760
Expenditures				
Current:				
General government	20,681,570	22,957,111	22,693,234	24,681,861
Public safety	67,799,667	71,703,248	77,316,218	83,397,539
Physical environment	781,306	1,055,021	788,803	1,300,862
Transportation	23,321,248	27,945,569	27,505,659	26,562,596
Economic environment	1,106,886	436,320	424,593	437,031
Human service	7,178,542	7,519,756	7,868,392	8,116,910
Culture/recreation	11,627,286	15,719,709	13,562,765	12,013,338
Court related	6,487,906	6,677,909	6,605,682	6,755,050
Debt service:				
Principal	3,700,000	4,180,000	4,383,000	4,573,000
Interest and fiscal charges	1,984,616	1,266,070	832,007	657,520
Capital projects	16,560,991	5,309,597 (B)	13,329,391	12,777,795
Total Expenditures	161,230,018	164,770,310	175,309,744	181,273,502
Excess of revenues over (under) expenditures	1,006,450	5,854,620	10,335,302	5,724,258
Other Financing Sources (Uses)				
Issuance of refunding notes	-	20,369,000 (A)	-	-
Insurance recoveries	-	-	-	-
Transfers out	(10,244,980)	(11,354,519)	(17,375,606)	(14,453,902)
Payments to refunded bond escrow agent	-	(20,340,959)(A)	-	-
Lease financings	-	-	-	-
SBITA financings	-	-	-	-
Transfers in	10,092,644	11,141,023	12,331,173	14,331,739
Total other financing sources (uses)	(152,336)	(185,455)	(5,044,433)	(122,163)
Net change in fund balances	\$ 854,114	\$ 5,669,165	\$ 5,290,869	\$ 5,602,095
Debt service as a percentage of noncapital expenditures	4.3%	3.8%	3.6%	3.4%

(A) Refunded all of General Obligation Bonds, Series 2006 with a fixed rate 7-year note.

(B) Completed widening of major north-south road.

(C) Reclass from lease purchase proceeds to lease financings due to implementation of GASB 87, *Leases* in Fiscal Year 2022.

(D) Two major road projects and Moorhen Marsh storm water project under construction.

2018	2019	2020	2021	2022	2023
\$ 125,723,036	\$ 132,686,763	\$ 140,993,468	\$ 146,296,366	\$ 157,217,271	\$ 175,242,525
17,825,047	18,092,708	17,959,288	23,330,849	23,217,114	20,992,706
36,535,393	31,956,921	33,738,425	63,146,188	56,827,553	61,356,941
17,133,195	17,919,081	17,375,509	19,581,100	20,419,262	20,765,051
1,697,085	2,148,209	1,398,028	2,152,438	2,017,164	2,570,236
2,273,375	7,575,639	4,718,014	412,332	(6,534,914)	13,687,848
5,891,296	5,986,962	8,436,416	9,212,240	13,870,905	8,193,237
207,078,427	216,366,283	224,619,148	264,131,513	267,034,355	302,808,544
25,016,607	24,925,629	27,589,352	29,337,151	31,187,792	32,708,746
85,158,140	89,020,678	95,448,236	105,546,317	112,550,131	118,661,695
1,131,396	1,353,623	1,719,293	1,879,810	1,296,050	8,977,436
26,900,384	30,379,114	26,635,184	32,328,979	32,577,171	47,982,040
426,085	469,565	720,010	3,839,633	1,019,817	654,294
9,302,125	9,484,542	11,452,394	18,941,495	11,610,851	13,087,901
12,089,937	15,583,672	21,671,840	25,514,675	25,769,033	19,955,939
6,540,045	7,241,534	6,536,101	7,752,380	7,427,472	8,667,414
4,708,000	5,738,632	7,561,314	308,381	538,630	1,829,064
562,153	442,999	326,053	186,218	196,396	183,761
17,978,862	13,393,105	17,302,374	15,331,717 (D)	39,739,177	16,166,045
189,813,734	198,033,093	216,962,151	240,966,756	263,912,520	268,874,335
17,264,693	18,333,190	7,656,997	23,164,757	3,121,835	33,934,209
-	-	-	-	-	-
7,014,087	109,671	398,872	-	-	11,933
(13,274,738)	(16,552,188)	(18,779,742)	(18,633,526)	(22,551,908)	(21,824,769)
-	-	-	-	-	-
-	20,855 (C)	-	-	663,526	129,229
-	-	-	-	-	2,930,877
13,147,755	16,318,696	17,770,231	18,471,273	22,413,038	21,185,007
6,887,104	(102,966)	(610,639)	(162,253)	524,656	2,432,277
\$ 24,151,797	\$ 18,230,224	\$ 7,046,358	\$ 23,002,504	\$ 3,646,491	\$ 36,366,486
3.2%	3.7%	4.4%	0.3%	0.4%	1.0%

Indian River County, Florida
Tax Revenues by Source, Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

Schedule 5

<u>Fiscal Year</u>	<u>Property (A)</u>	<u>Sales & Use</u>	<u>Tourist</u>	<u>Gasoline</u>	<u>Other</u>	<u>Total</u>
2014	\$ 72,715,877	\$ 15,228,304	\$ 1,918,201	\$ 3,294,709	\$ 1,428,254	\$ 94,585,345
2015	76,621,036	16,190,352	2,267,101	3,672,972	1,418,617	100,170,078
2016	84,695,191	16,858,894	2,433,491	3,741,935	1,353,020	109,082,531
2017	90,192,496	17,623,741	2,817,766	3,821,095	1,302,302	115,757,400
2018	98,639,443	18,708,376	3,025,487	4,024,001	1,325,729	125,723,036
2019	105,227,881	19,263,128	3,093,941	3,823,809	1,278,004	132,686,763
2020	114,440,512	18,984,618	2,714,264	3,598,127	1,255,947	140,993,468
2021	115,590,183	22,078,826	3,623,215	3,759,740	1,244,402	146,296,366
2022	121,642,658	26,014,111	4,485,476	3,784,989	1,290,037	157,217,271
2023	138,007,231	27,193,546	4,896,925	3,828,665	1,316,158	175,242,525

(A) The County 's primary source of revenue is property taxes, amounting to 79 percent of Governmental Funds tax revenues in 2023. Consequently, supplemental required schedules are provided only for property tax revenues.

Indian River County, Florida
Assessed Value and Actual Value of Taxable Property (Unaudited)
Last Ten Fiscal Years

Schedule 6

Fiscal Year	Real Property Actual Value	Personal Property Actual Value	Total Actual Value	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2014	\$ 16,563,604,291	\$ 697,294,522	\$ 17,260,898,813	\$ 4,670,052,667	\$ 12,590,846,146	4.3353
2015	17,855,660,837	696,658,855	18,552,319,692	5,150,260,231	13,402,059,461	4.4108
2016	19,941,465,452	698,630,083	20,640,095,535	6,338,690,254	14,301,405,281	4.4335
2017	23,725,954,463	675,815,085	24,401,769,548	8,125,447,769	16,276,321,779	4.4335
2018	25,295,251,822	634,654,180	25,929,906,002	8,125,447,769	17,804,458,233	4.5337
2019	26,921,744,684	737,895,129	27,659,639,813	9,079,222,273	18,580,417,540	4.5337
2020	27,867,246,400	802,782,805	28,670,029,205	9,092,020,308	19,578,008,897	4.6981
2021	29,331,050,832	850,748,919	30,181,799,751	9,592,471,404	20,589,328,347	4.6981
2022	36,552,287,738	986,160,779	37,538,448,517	14,173,050,634	23,365,397,883	4.6981
2023	44,508,153,413	1,292,191,481	45,800,344,894	19,208,591,426	26,591,753,468	4.6981

Source: Indian River County Property Appraiser; values are established as of January 1 of the previous calendar year, i.e., January 1, 2022 taxable values apply to the fiscal year ending September 30, 2023.

The actual value is based upon market values in the area. Property is assessed at the actual values less various exemptions for homestead, age, disability, widows, religious, charitable, educational and governmental situations.

Total taxable values are also presented on Schedules 8 and 11.

Indian River County, Florida
Property Tax Rates
Direct and Overlapping Tax Rates (Unaudited)
Last Ten Fiscal Years

	2014	2015	2016	2017
<u>County direct rate</u>				
General fund	3.2620	3.3375	3.3602	3.3602
Municipal service	1.0733	1.0733	1.0733	1.0733
Total direct rate (A)	4.3353	4.4108	4.4335	4.4335
County-wide district school board rate	8.1160	7.9950	7.9550	7.4100
<u>Other County-wide rates</u>				
Emergency Management Services District	1.9799	1.9799	2.2551	2.3010
Land acquisition bond	0.3788	0.3694	0.3315	0.3143
Total other County-wide rates	2.3587	2.3493	2.5866	2.6153
Total County-wide rate (B)	14.8100	14.7551	14.9751	14.4588
<u>City rates</u>				
Fellsmere	5.6190	5.5309	5.2756	4.9599
Indian River Shores	1.4731	1.6786	1.6786	1.7186
Sebastian	3.7166	3.8556	3.8556	3.8556
Orchid	0.4864	0.5500	0.7000	1.2500
Vero Beach	2.0336	2.0336	2.3800	2.3800
Average of cities rates	2.6657	2.7297	2.7780	2.8328
Other special district rates	1.7128	1.7124	1.6993	1.5170

(A) Per Florida State Statute 200.081, no ad valorem tax millage shall be levied against real property and tangible personal property by counties in excess of 10 mills, except for voted levies.

(B) Total County-wide rate is borne by all property owners within the County boundaries.

Source: Indian River County Property Appraiser

2018	2019	2020	2021	2022	2023
3.4604	3.4604	3.5475	3.5475	3.5475	3.5475
1.0733	1.0733	1.1506	1.1506	1.1506	1.1506
4.5337	4.5337	4.6981	4.6981	4.6981	4.6981
7.0530	6.7930	6.5690	6.3960	6.2680	5.9850
2.3655	2.3655	2.3655	2.3531	2.3531	2.3531
0.2955	0.2827	0.2568	-	-	-
2.6610	2.6482	2.6223	2.3531	2.3531	2.3531
14.2477	13.9749	13.8894	13.4472	13.3192	13.0362
4.9599	5.3662	5.2210	5.3226	5.3226	5.2210
1.3774	1.2890	1.3349	1.3349	1.3349	1.3349
3.4000	3.1514	2.9399	3.1514	3.0043	2.9050
2.3000	1.4000	1.6000	1.9000	1.4000	1.1000
2.5194	2.5194	2.5000	2.5000	2.5000	2.6964
2.9113	2.7452	2.7192	2.8418	2.7124	2.6515
1.5390	1.5396	1.4091	1.3929	1.2933	1.0677

Indian River County, Florida
Principal Property Taxpayers (Unaudited)
Year 2023 and Year 2014

Schedule 8

Taxpayer	2023			2014		
	Real Property Assessed Valuation	Rank	Percentages of Total Assessed Valuation	Real Property Assessed Valuation	Rank	Percentages of Total Assessed Valuation
Florida Power & Light	\$ 1,400,050,404	1	5.26%	\$ 104,169,885	1	0.83%
Disney Vacation Dev. Inc.	154,652,913	2	0.58	70,980,390	2	0.56
John's Island Club, Inc.	97,397,766	3	0.37	30,565,160	7	0.24
MPT of Sebastian-Steward, LLC	69,700,220	4	0.26	-	-	-
Welltower TCG Ridea Landlord, LLC	64,247,752	5	0.24	-	-	-
TSO Vero Beach LP	61,362,828	6	0.23	-	-	-
EPC Guardian, LLC	60,742,348	7	0.23	-	-	-
Adult Community Total Services, Inc.	58,695,402	8	0.22	32,546,340	5	0.26
Windsor Properties	57,311,178	9	0.22	37,435,960	3	0.30
GFVT LLC	53,385,100	10	0.20	-	-	-
Bellsouth Telecommunications	-	-	-	36,274,996	4	0.29
Beachlen II LLC	-	-	-	31,610,580	6	0.25
Indian River Mall Associates	-	-	-	28,501,910	8	0.23
Fellsmere Joint Venture	-	-	-	26,024,499	9	0.21
Health Care Reit, Inc.	-	-	-	24,434,920	10	0.19
Total Principal Property Taxpayers Real Property Assessed Valuation	<u>\$ 2,077,545,911</u>		<u>7.81%</u>	<u>\$ 422,544,640</u>		<u>3.36%</u>
Total County Taxable Valuation (from Schedule 6)	<u>\$ 26,591,753,468</u>			<u>\$ 12,590,846,146</u>		

Sources: Indian River County Property Appraiser
Indian River County, Florida annual budgets

Indian River County, Florida
Property Tax Levies And Collections (Unaudited)
Last Ten Fiscal Years

Schedule 9

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections (1)	Total Tax Collections	Percent of Total Tax Collections To Tax Levy
2014	\$ 75,101,883	\$ 72,572,593	96.63%	\$ 149,546	\$ 72,722,139	96.83%
2015	79,309,078	76,537,192	96.50	91,754	76,628,946	96.62
2016	87,611,062	84,648,230	96.62	60,147	84,708,377	96.69
2017	93,167,061	90,100,287	96.71	78,624	90,178,911	96.79
2018	102,322,230	98,568,670	96.33	40,811	98,609,481	96.37
2019	108,994,936	105,148,685	96.47	26,255	105,174,940	96.50
2020	118,478,616	114,292,023	96.47	108,270	114,400,293	96.56
2021	119,796,353	115,517,250	96.43	67,544	115,584,794	96.48
2022	126,027,404	121,551,348	96.45	82,076	121,633,424	96.51
2023	143,132,352	137,866,142	96.32	80,377	137,946,519	96.38

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

(1) On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After the 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 certificate holder after a period of two years. Unsold certificates are held by the County.

Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the seven year statute of limitations. The County does not accrue its portion of the County-held certificates due to the immaterial amount.

Total property tax collections differ from actual collections reported on Schedule 5 due to the exclusion of interest earnings on collections of \$60,712.

Indian River County, Florida
Ratios of Outstanding Debt by Type (Unaudited)
Last Ten Fiscal Years

Year	Governmental Activities			
	General Obligation Bonds (A)	Leases	SBITA	Spring Training Facility Bonds 2001 Series
2014	\$ 26,639,265	\$ -	\$ -	\$ 7,700,000
2015	23,594,000	-	-	7,230,000
2016	19,706,000	-	-	6,735,000
2017	15,653,000	-	-	6,215,000
2018	11,495,000	-	-	5,665,000
2019	7,268,000	15,447	-	4,155,000
2020	-	12,133	-	3,865,000
2021	-	8,752	-	3,560,000
2022	-	997,325 (F)	-	3,255,000
2023	-	908,407	3,775,510 (G)	2,935,000

(A) General Obligation Bonds include Series 2001 and Limited General Obligation Bonds, Series 2006. The remaining balance of the 2001 issue was called early on July 1, 2012. The Series 2006 bonds were refinanced in fiscal year 2015 and subsequently paid off in 2020. This information is also presented on Schedules 11 and 13.

(B) Water & Sewer Bonds include Series 1993, Refunding Series 2005. The Series 2005 bonds were refinanced in fiscal year 2015 and reached final maturity in 2022.

(C) Information not available.

(D) Refer to Schedule 15 for personal income and population information.

(E) The County elected to redeem 100% of the outstanding Water & Sewer Revenue Refunding Bonds, Series 2009 on September 1, 2019.

(F) The County implemented GASB 87, *Leases* in Fiscal Year 2022.

(G) The County implemented GASB 96, *Subscription-Based Information Technology Arrangements* in Fiscal Year 2023.

Further information may be found in Note 11.

Source of per capita income is University of Florida, Bureau of Economic and Business Research.

Business-type Activities		Total Primary Government	Percentage of Total Debt to Personal Income (D)	Debt Per Capita (D)
Water & Sewer Bonds (B)	SBITA			
\$ 39,433,889	\$ -	\$ 73,773,154	0.81%	\$ 523
28,252,234	-	59,076,234	0.59	412
25,198,884	-	51,639,884	0.50	353
22,031,534	-	43,899,534	0.39	295
18,749,183	-	35,909,183	0.30	237
3,174,000 (E)	-	14,612,447	0.11	94
2,132,000	-	6,009,133	0.04	38
1,074,000	-	4,642,752	0.03	29
-	-	4,252,325	0.02	26
-	192,765 (G)	7,811,682	(C)	47

Indian River County, Florida

**Ratio of Net General Bonded Debt Outstanding to Taxable Value and Net Bonded Debt per Capita (Unaudited)
Last Ten Fiscal Years**

Schedule 11

Fiscal Year	Population (A)	Taxable Value (A)	Gross General Obligation Bonded Debt	Debt Service Monies Available (A)	Net Bonded Debt	Ratio Of Net Bonded Debt To Taxable Value	Net Bonded Debt Per Capita
2014	140,955	\$ 12,859,438,194	\$ 26,639,265	\$ 1,002,540	\$ 25,636,725	0.0020	\$ 182
2015	143,326	13,402,059,461	23,594,000	967,599	22,626,401	0.0017	158
2016	146,410	14,301,405,281	19,706,000	1,114,234	18,591,766	0.0013	127
2017	148,962	16,276,321,779	15,653,000	1,269,367	14,383,633	0.0009	97
2018	151,825	17,381,933,356	11,495,000	1,406,600	10,088,400	0.0006	66
2019	154,939	18,580,417,540	7,268,000	1,734,275	5,533,725	0.0003	36
2020	158,834	19,578,008,897	-	-	-	-	-
2021	161,702	20,589,328,347	-	-	-	-	-
2022	165,559	23,365,397,883	-	-	-	-	-
2023	167,781	26,591,753,468	-	-	-	-	-

(A) Columns are provided as additional information for General Obligation Bonds (G.O.B.), Series 2001 and Limited G.O.B., Series 2006. The remaining balance of the 2001 issue was called early on July 1, 2012. The Series 2006 debt was refinanced in fiscal year 2015 and subsequently paid off in 2020.

Gross G.O.B. debt is also presented on Schedules 10 and 13.

Total taxable assessed values also appear on Schedules 6 and 8.

Source of population data is obtained from the University of Florida, Bureau of Economic and Business Research.

Indian River County, Florida
Computation of Legal Debt Margin (Unaudited)
September 30, 2023

Schedule 12

Computation of the Legal Debt Margin is omitted because the Constitution of the State of Florida (F.S. 200.181) and Indian River County set no legal debt limit.

Indian River County, Florida
Direct and Overlapping Governmental Activities Debt (Unaudited)
September 30, 2023

Schedule 13

Governmental Unit

	Debt Outstanding	Percentage Applicable	Share of Overlapping Debt
Revenue Bonds - Spring Training Facility - Series 2001	\$ 2,935,000	100%	\$ 2,935,000
Leases payable	908,407	100%	908,407
SBITA subscription liability	3,775,510	100%	3,775,510
Total direct debt of County			<u>7,618,917</u>
Other debt:			
Indian River County School District Certificates of Participation	\$ 63,014,872 (A)	100%	<u>63,014,872</u>
Total overlapping debt			<u>63,014,872</u>
Total direct and overlapping debt			<u><u>\$ 70,633,789</u></u>

(A) Indian River County School District, as of June 30, 2023

Source: Information on outstanding debt provided by the Indian River County School District Finance Department.

Note: Overlapping debt is borne by all property owners within the County boundaries.



Indian River County, Florida
Demographic and Economic Statistics (Unaudited)
Last Ten Years

Schedule 14

Year	Population (A)	Total Personal Income (B)	Per Capita Personal Income (B)	Unemployment Rate (C)
2014	140,955	\$ 9,139,920,000	\$ 63,140	7.9
2015	143,326	10,055,169,000	67,978	7.2
2016	146,410	10,380,777,000	68,491	6.7
2017	148,962	11,312,198,000	73,274	4.6
2018	151,825	11,972,633,000	76,059	3.9
2019	154,939	12,924,659,000	80,818	3.7
2020	158,834	13,750,177,000	84,607	5.9
2021	161,702	15,565,785,000	95,109	4.6
2022	165,559	17,613,769,000	105,250	3.1
2023	167,781	(D)	(D)	4.0

Sources:

(A) University of Florida, Bureau of Economic and Business Research

(B) US Department of Commerce, Bureau of Economic Analysis

(C) Bureau of Labor Statistics, Local Area Unemployment Statistics

(D) Information not available

The population and personal income information is used in Schedule 10 for calculation of Debt Per Capita and Percentage of Debt to Personal Income.

Indian River County, Florida
Principal Employers (Unaudited)
Year 2023 and Year 2014

Schedule 15

Employer	2023	
	Number of Employees	Percentage of Total County Employment
School District of Indian River County	2,234	3.19%
Cleveland Clinic Indian River Hospital **	2,027	2.89
Indian River County *	1,455	2.08
Publix Supermarkets	1,380	1.97
Piper Aircraft, Inc.	1,005	1.43
Wal-Mart	806	1.15
Sebastian River Medical Center	750	1.07
Visiting Nurse Association	500	0.71
John's Island	495	0.71
Indian River Estates	486	0.69
Total	11,138	15.89%
Total County Labor Force	70,037	
Employer	2014	
	Number of Employees	Percentage of Total County Employment
School District of Indian River County	2,113	3.67%
Indian River Medical Center	1,753	3.04
Indian River County *	1,328	2.30
Publix Supermarkets	1,250	2.17
Piper Aircraft Inc.	850	1.47
Sebastian River Medical Center	569	0.99
John's Island	526	0.91
City of Vero Beach	424	0.74
Visiting Nurse Association	399	0.69
Indian River Estates	350	0.61
Total	9,562	16.59%
Total County Labor Force	57,629	

Sources: Indian River County Chamber of Commerce and Indian River County annual budgets for number of employees for principal employers. U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics Program, in cooperation with the Florida Department of Economic Opportunity, Bureau of Workforce Statistics and Economic Research for total county labor force figures.

* This includes the Board of County Commissioners, Clerk of the Circuit Court and Comptroller, Supervisor of Elections, Property Appraiser, Sheriff, and the Tax Collector.

**Effective January 1, 2019 Indian River Medical Center is now Cleveland Clinic Indian River Hospital

Indian River County, Florida
Building Permits (Unaudited)
Last Ten Fiscal Years

Fiscal Year	Indian River County				Municipalities	
	# of Permits	New Construction	# of Permits	Additions & Alterations	# of Permits	New Construction
		\$				
2014	611	190,750,218	4,290	\$ 41,977,079	262	\$ 81,288,256
2015	666	241,065,285	5,528	53,561,372	239	95,276,289
2016	827	308,972,417	6,206	62,277,764	303	108,368,025
2017	1,071	348,481,070	7,342	73,002,815	227 (A)	69,562,947
2018	1,133	412,240,706	11,889	185,405,814	276	143,690,820
2019	1,561	486,180,472	10,377	131,512,299	288	91,152,794
2020	1,387	411,363,869	11,163	129,503,949	327	99,578,458
2021	1,673	516,828,967	13,061	176,293,637	477	190,436,915
2022	1,238	488,085,874	14,988	288,499,341	430	254,344,429
2023	707	454,395,435	15,968	301,532,777	262	170,932,630

Source: Building Departments - Indian River County, City of Vero Beach, Town of Orchid, Town of Indian River Shores, City of Sebastian, and City of Fellsmere.

(A) Data for the Town of Indian River Shores was only available through April 30, 2017 due to conversion to new software.

		Countywide			
# of Permits	Additions & Alterations	# of Permits	New Construction	# of Permits	Additions & Alterations
5,049	\$ 57,293,148	873	\$ 272,038,474	9,339	\$ 99,270,227
5,710	80,276,432	905	336,341,574	11,238	133,837,804
6,142	85,158,535	1,130	417,340,442	12,348	147,436,299
5,908	65,096,641	1,298	418,044,017	13,250	138,099,456
8,717	120,801,687	1,409	555,931,526	20,606	306,207,501
7,603	115,858,317	1,849	577,333,266	17,980	247,370,616
7,364	109,929,744	1,714	510,942,327	18,527	239,433,693
8,726	166,771,433	2,150	707,265,882	21,787	343,065,070
8,731	187,383,615	1,668	742,430,303	23,719	475,882,956
7,953	187,642,502	969	625,328,065	23,921	489,175,279

Indian River County, Florida
Operating Indicators by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017
General Government				
Purchasing				
Purchase orders issued	1,760	1,826	2,033	2,312
Public Safety				
Fire rescue				
Vehicle rescue response	41,540	45,485	45,874	47,357
Fire code inspections	1,753	1,993	2,200	2,500
Advanced life support calls	11,283	11,571	12,428	12,947
Basic life support calls (transport only)	3,851	4,180	4,524	4,798
Sheriff				
Arrests	4,262	3,832	3,660	3,922
Violent crimes	552	495	548	549
Non-violent crimes	5,853	5,804	5,682	5,501
Total calls for service	216,082	250,814	274,464	235,540
Building department				
Construction permits issued	611	666	827	1,071
Estimated value of construction (millions)	\$ 190.8	\$ 241.1	\$ 309.0	\$ 348.4
Physical Environment				
Solid waste				
Waste stream tonnage received	265,278	265,958	279,910	310,007
Total recycled material (tons)	101,444	86,564	98,009	119,773
Utilities - water & sewer				
Number of water customers	46,223	46,865	48,540	49,176
Number of wastewater customers	26,948	27,448	28,767	29,229
Water ERUs	66,261	66,829	72,488	68,506
Wastewater ERUs	47,027	47,596	53,428	48,748
Water consumption (Average Daily Demand)	8,620,000	9,200,000	9,200,000	9,900,000

Source: Internal reports prepared by the various departments of Indian River County

2018	2019	2020	2021	2022	2023
2,418	2,617	2,896	2,867	2,898	2,939
48,615	47,362	50,550	31,839	34,192	34,887
2,162	1,869	3,260	4,067	4,100	3,916
13,711	13,746	13,825	13,664	14,814	15,250
4,969	5,004	5,523	5,641	5,587	4,542
3,699	3,602	3,611	3,601	3,424	3,723
606	582	534	490	528	563
5,376	5,722	5,328	5,417	5,274	5,335
273,760	283,732	272,382	233,919	206,553	209,048
1,133	1,561	1,387	1,673	1,238	707
\$ 412.2	\$ 486.2	\$ 411.4	\$ 516.8	\$ 488.1	\$ 454.4
295,380	290,413	333,018	402,325	377,765	419,745
94,218	82,795	126,691	176,557	142,756	176,703
50,254	51,548	52,503	53,878	54,857	55,599
30,021	30,745	31,459	32,453	33,077	33,568
69,463	69,957	70,586	71,760	73,051	74,087
49,425	49,217	49,603	50,430	51,390	52,151
10,162,000	10,400,000	11,100,000	11,000,000	11,596,000	11,520,000

Continued

Indian River County, Florida
Operating Indicators by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017
Transportation				
Public works				
Projects under design	43	34	13	15
Projects awarded for construction	7	9	3	7
Construction projects completed	20	17	17	13
County engineering				
Roads designed	8	8	6	5
Miles of roads designed	8.35	10.00	8.50	11.00
Traffic engineering				
Site plans reviewed	387	554	412	560
Culture/Recreation				
Library				
Circulation (County-wide)	1,317,458	1,295,310	1,389,188	1,315,425
Recreation department				
Total beach park attendance	434,397	416,962	669,465	553,630
Athletic and event attendance	23,900	24,073	24,267	23,974
Aquatic centers attendance	105,459	110,186	116,997	112,308
Shooting range				
Safety/Registration cards issued	7,911	7,655	5,984	6,867
Golf course				
Rounds played	90,306	93,739	91,426	96,332

2018	2019	2020	2021	2022	2023
31	20	18	33	22	14
8	8	8	10	8	6
11	10	15	9	20	14
4	6	5	5	3	6
4.75	18.75	17.20	11.77	4.25	2.91
715	890	636	584	299	604
1,254,954	1,365,623	982,346	1,069,180	1,010,573	1,116,392
792,782	788,389	642,014	546,805	634,120	757,143
25,016	24,832	19,231	2,675	22,790	32,900
113,592	114,700	64,276	99,103	106,452	134,365
7,318	7,196	4,771	6,986	10,643	13,453
93,361	96,775	92,644	112,854	119,509	124,009

Indian River County, Florida
Full-Time Equivalent County Government Employees by Function/Program (Unaudited)
Last Ten Fiscal Years

	2014	2015	2016	2017
General Government				
Board of County Commissioners	9	9	9	9
County Attorney	6	6	6	6
Administration	2.35	2.35	2.35	2.35
Financial/Administrative Service	20.85	21.85	22.85	21.85
Comprehensive Planning	14.5	14.5	14.5	15
Other	33.4	33.4	33.4	35.4
Clerk of Circuit Court	93	93	97	90
Property Appraiser	36	36	39	38
Supervisor of Elections	9.5	9.5	9.5	10.5
Tax Collector	45	47	47	49
Public Safety				
Fire Department	243	244	265	276
Sheriff - Corrections	163	163	168	171
Sheriff - Court Service	27.5	27.5	34	29
Sheriff - Law Enforcement	303	303	278	289
Building Department	18.5	21.5	25	29.5
Other	4	4.5	5.5	6
Physical Environment				
Solid Waste	9	10	10	11
Utilities - water and sewer	116.5	118.5	120.5	122.5
Other	8	8	10	9
Transportation				
Road and Bridges	78.1	78.1	79.1	79.1
County Engineering	24	26	26	28
Traffic Engineering	19	20	21	22
Real Estate Acquisition	1	1	1	1
Economic Environment	2.5	2.5	2.5	2.5
Human Services	12	12	12	12
Culture/Recreation				
Libraries	41.5	42	42	42
Parks	28	28	28	30
Recreation Department	32.8	38.3	38.3	42.3
Coastal Engineering	2	2	2	2
Shooting Range	5	5	5.5	9.5
Golf Course	13.5	13.5	13	13
Court Related				
Law Library	1	1	1	1
Total	1,422.5	1,442.0	1,468.0	1,504.5

Source: Indian River County, Florida annual budgets

Method: 1.0 FTE for each full-time employee and .50 FTE for each part-time employee.

Budgeted temps/seasonal employees are omitted. Totals include unfilled positions.

2018	2019	2020	2021	2022	2023
9	9	9	9	9	11
6	6	6	6	6	6
2.35	3.35	3.35	3.35	3.35	3.35
22.35	24.35	28.35	30.35	31.85	31.85
16	16.5	16.5	16.5	19.5	22.5
36.4	37.9	39.9	39.9	42.9	43.65
87	85.5	81	77	76	76
39	39	39	39	39	39
11	9	12	12	12	11.5
51	59.5	61.5	65.5	69	69
295	295.5	309.5	312.5	315	327.5
171	174	171	171	171	171
29	32	29	29	29	29
305	310	317.5	317.5	326	343.5
30.5	33.5	34.5	35	37	37.25
6	6	6	6	7	8
11	10	11	11	12	12
127.5	131.5	140	141.5	148	148
11	13	12	13	14	15
79.1	82.1	82.1	79.1	75.1	72.1
30	32	33	34	36	36
22	22	23	23	23	25
1	1	1	1	1	1
2.5	2.5	2.5	2.5	2.5	2.5
12.5	14	23	13.5	15	19
42	40.5	45.5	45.5	45.5	46.5
30	30	32	32	33	34
43.3	43.3	44.3	45.3	45.3	49.8
3	3	3	3	3	3
9.5	9.5	10	10	10	10
13	13	13.5	13.5	14	14
1	1	1	1	1	1
1,555.0	1,589.5	1,641.0	1,638.5	1,672.0	1,719.0

Indian River County, Florida
Capital Asset Statistics by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017
General Government				
Facilities Management				
Total square footage maintained (A)	720,215	720,215	760,801	881,874
Number of facilities and sites maintained (A)	48	48	66	55
Vehicles	16	15	15	14
General government				
Vehicles	30	28	26	28
Planning				
Vehicles	6	6	6	6
Informaiton Technology				
Vehicles	2	2	2	2
Public Safety				
Fire department				
Vehicles	51	51	60	57
Fire stations	12	12	13	13
Advanced life support				
Vehicles	19	17	19	18
E911 Center				
Vehicles	1	1	1	1
Sheriff				
Vehicles	293	282	323	321
Building department				
Vehicles	10	16	25	19
Physical Environment				
Solid waste				
Vehicles	1	2	2	2
Ag Extension				
Vehicles	1	1	1	2
Utilities - Water and Sewer				
Vehicles	80	81	81	83
Water treatment plants	2	2	2	2
Wastewater treatment facilities	6	6	6	6
Water main - miles	852	857	859	860
Force main - miles	225	221	223	222
Gravity sewer lines - miles	269	268	267	271
Transportation				
Road and bridge				
Miles maintained (paved & unpaved)	650	650	653	653
Bridges maintained	72	72	72	72
Vehicles	64	67	63	56

Source: Internal reports prepared by the various departments of Indian River County.

(A) The amounts reflected for square footage maintained and number of facilities and sites maintained are only those structures that the Facilities Management Department maintains. Other structures are maintained by their respective departments.

2018	2019	2020	2021	2022	2023
909,559	903,452	903,452	903,452	903,452	915,732
56	54	54	54	54	55
14	17	18	20	16	19
28	26	27	27	28	33
6	6	6	6	6	6
3	3	3	2	1	5
58	58	58	62	74	68
14	14	14	15	15	15
18	18	18	19	20	22
1	1	1	1	1	1
311	311	315	329	320	335
19	19	19	19	19	19
2	2	2	2	3	3
2	3	2	2	2	2
83	85	95	99	94	99
2	2	2	2	2	2
6	6	6	6	6	6
866	879	885	888	894	901
222	223	223	235	227	228
273	282	287	289	293	297
660	660	660	656	655	631
72	72	72	72	72	72
56	77	76	83	72	70

Continued

Indian River County, Florida
Capital Asset Statistics by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017
Transportation - continued:				
Senior Resource Association				
Vehicles	35	35	39	36
Engineering				
Vehicles	13	14	13	15
Traffic engineering				
Traffic signals operated	150	150	160	155
Beacons operated	45	43	47	56
Vehicles	1	1	1	1
Traffic operations				
Vehicles	21	20	22	18
 Human Services				
Health department				
Vehicles	17	17	9	10
Animal Control				
Vehicles	6	6	6	6
Rental Assistance				
Vehicles	2	2	3	3
 Culture/Recreation				
Libraries				
Locations	4	4	4	4
Vehicles	-	-	-	-
Parks				
Number of neighborhood parks	10	11	12	12
Number of County parks	37	37	37	36
Acreage	3,429	3,429	3,429	5,081
Picnic shelters maintained	69	69	69	69
Boat ramps maintained	8	8	8	8
Vehicles	23	20	20	18
Recreation				
Vehicles	5	5	6	5
Shooting range				
Vehicles	1	1	1	1
Rifle range stations	29	29	29	29
Pistol range stations	35	35	35	35
Sporting clay course - skeet and trap fields	-	-	-	-
Golf Course				
Holes maintained	36	36	36	36
Vehicles	2	2	1	1
Coastal Engineering				
Vehicles	-	-	-	-

Schedule 19

2018	2019	2020	2021	2022	2023
39	31	27	26	32	28
16	18	18	16	13	13
159	160	159	161	162	167
56	55	55	56	59	52
1	1	1	1	1	1
19	19	21	21	20	17
18	18	17	18	21	19
6	7	7	7	6	9
3	3	3	3	3	2
4	5	5	6	6	6
-	-	-	-	1	1
12	12	12	12	12	12
36	36	36	36	36	36
5,081	5,081	5,081	5,081	5,081	5,081
69	54	54	54	54	54
8	8	8	8	8	8
20	25	26	30	31	34
4	5	5	5	5	5
1	1	1	1	1	1
29	29	29	29	29	29
35	35	35	35	35	35
3	3	3	3	3	18
36	36	36	36	36	36
1	1	1	1	1	1
-	-	-	-	2	2

Indian River County, Florida
Department of Utility Services
Historical Rate Structure (Unaudited)
Last Ten Fiscal Years

	2012 - February 2019 (A)	March 2019 - September 2020
WATER RATES		
Billing charge per account	\$ 1.29	\$ n/a
Service availability charge (per ERU) (B)		
Single-family and commercial	7.76	8.75
Multi-family and manufactured home	6.60	7.44
Volumetric charge - per 1,000 gallons (per ERU)		
0-3,000 gallons	2.20	2.20
3,001-4,000 gallons	2.42	2.20
4,001-7,000 gallons	2.42	2.57
7,001-12,000 gallons	3.85	4.95
12,001-13,000 gallons	3.85	9.75
13,001 and over gallons per month (per ERU)	7.70	9.75
SEWER RATES		
Billing charge per account	\$ 1.29	\$ n/a
Service availability charge (per ERU) (B)		
Single-family and commercial	14.58	15.60
Multi-family and manufactured home	12.40	13.26
Volumetric charge - per 1,000 gallons (per ERU)		
Individually Metered Residential (capp of 12,000 gallons)	2.86	n/a
MultiFamily & Commercial		
0-13,000 gallons	2.86	n/a
13,001 and over gallons per month (per ERU)	4.29	n/a
Volumetric charge - Sewer		
0-12,000 gallons	n/a	2.86
12,001 and over gallons per month (per ERU)	n/a	4.29

(A) The County approved a rate study with new rates, effective March 1, 2019 that changed some of the rate structure and categories. Therefore, some rates are shown as n/a.

(B) Formerly known as base facility charge

Note: Prior to March 2019, a service availability charge where capacity is reserved but lines are not available (per ERU) was set for water at \$3.88 for single family and commercial and \$3.30 for multi-family and manufactured homes. For sewer, the rates were \$7.29 and \$6.20, respectively.

Source: Indian River County Resolutions 2009-012, 2018-126, 2020-087 and 2021-076.

Schedule 20

Fiscal Year 2021		Fiscal Year 2022		Fiscal Year 2023	
\$	n/a	\$	n/a	\$	n/a
	8.88		9.15		9.42
	7.55		7.78		8.01
	2.23		2.30		2.37
	2.23		2.30		2.37
	2.61		2.69		2.77
	5.03		5.18		5.34
	9.90		10.20		10.51
	9.90		10.20		10.51
\$	n/a	\$	n/a	\$	n/a
	15.84		16.32		16.81
	13.46		13.86		14.28
	n/a		n/a		n/a
	n/a		n/a		n/a
	n/a		n/a		n/a
	2.90		2.99		3.08
	4.36		4.49		4.62

Indian River County, Florida
Water and Wastewater Customers (Unaudited)
Last Ten Fiscal Years

Schedule 21

The number of County water and wastewater customers, expressed as the number of equivalent residential units (ERUs), for the years 2014 through 2023 as set forth below:

<u>Fiscal Year</u>	<u>Water ERUs</u>	<u>Wastewater ERUs</u>
2014	66,261	47,027
2015	66,829	47,596
2016	72,488	53,428
2017	68,506	48,748
2018	69,463	49,425
2019	69,957	49,217
2020	70,586	49,603
2021	71,760	50,430
2022	73,051	51,390
2023	74,087	52,151

Source: Indian River County Utilities Department

Indian River County, Florida
Top 10 High Volume Customers of Utility Services (Unaudited)
Fiscal Year 2023

Schedule 22

Below is a table depicting the ten highest volume customers of the utility system for the fiscal year ended September 30, 2023:

Customer		Annual Water Volume (x 1,000 gals.)		Annual Wastewater Volume (x 1,000 gals.)
Vista Royale Condo	1	40,189	1	40,189
MHC Village Green LLC	2	33,772	2	33,772
Acts, Inc.	3	29,615	3	29,615
IRC School Board	4	25,152	9	20,096
Orchard Grove Venture, LLC	5	23,594	4	23,594
NHC FL1 LP/dba Encore RV Park	6	23,108	6	23,108
Lakewood Village RO Assoc. Inc.	7	21,493	7	21,493
Disney's Vero Beach Resort	8	21,196	8	21,196
Palms of Vero Beach LTD	9	19,393	10	19,393
Vista Gardens Condo	10	17,058	-	-
City of Fellsmere	-	-	5	23,476

Source: Indian River County Utilities Department

Indian River County, Florida
Capacity Charges - Utilities Department (Unaudited)
Last Ten Fiscal Years

Schedule 23

The County receives capacity charges in connection with the system. Capacity charges for the last ten fiscal years ended September 30 are as follows:

<u>Fiscal Year</u>	<u>Water Capacity Charges</u>	<u>Wastewater Capacity Charges</u>	<u>Total Charges</u>
2014	\$ 1,081,355	\$ 1,625,404	\$ 2,706,759
2015	1,041,885	1,575,406	2,617,291
2016	1,271,725	1,795,923	3,067,648
2017	980,460	1,409,743	2,390,203
2018	1,385,670	2,074,352	3,460,022
2019	1,473,940	1,655,135	3,129,075
2020	1,218,748	1,788,042	3,006,790
2021	1,911,431	2,732,251	4,643,682
2022	1,649,776	2,420,218	4,069,994
2023	1,343,678	1,681,514	3,025,192

Source: Indian River County Utilities

Indian River County, Florida
Pledged Revenues for Spring Training Facility Revenue Bonds, Series 2001 (Unaudited)
Last Ten Fiscal Years **Schedule 24**

<u>Year Ended September 30</u>	<u>Professional Sports State Subsidy</u>	<u>Total Tourist Tax Collected</u>	<u>One Cent Tourist Tax (A)</u>	<u>Half Cent Sales Tax</u>
2014	\$ 500,004	\$ 1,918,200	\$ 479,550	\$ 8,219,778
2015	500,004	2,267,100	566,774	8,684,772
2016	500,004	2,433,491	608,373	9,043,910
2017	500,004	2,817,766	704,442	9,431,933
2018	500,004	3,025,487	756,372	9,907,733
2019	500,004	3,093,939	773,485	10,298,464
2020	500,004	2,714,264	678,566	10,073,449
2021	500,004	3,623,215	905,804	12,009,112
2022	500,004	4,485,476	1,121,369	13,302,705
2023	500,004	4,896,925	1,224,231	13,927,674

(A) A 4th cent was imposed effective February 1, 2001.

Note: For additional details, refer to Pledge of Revenues Section, in County Note 11.

Indian River County, Florida
Dependent Special District Specific Information per F.S. 218.39(3)(c) (Unaudited)
Fiscal Year Ended September 30, 2023

	<u>Emergency Services District</u>	<u>Solid Waste Disposal District</u>
Total number of district employees compensated in the last pay period	346	13
Total number of independent contractors to whom nonemployee compensation was paid in the last month of the fiscal year	-	-
All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency	\$ 24,635,661	\$ 774,352
Construction contracts approved for at least \$65,000 that began as of October 1, 2022 and description of contract		
Cell 3 Segment 3 Landfill Expansion		
Contract amount		\$ 5,848,249
Expenditures		2,179,048

Budget Variance Report
Solid Waste Disposal District

	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Charges for services	\$ 22,450,783	\$ 21,365,801	\$ (1,084,982)
Investment income (loss)	55,000	1,555,711	1,500,711
Total revenues	<u>22,505,783</u>	<u>22,921,512</u>	<u>415,729</u>
Expenses			
Personal services	1,100,182	1,184,360	(84,178)
Operating	19,900,772	18,740,520	1,160,252
Depreciation	<u>1,504,829</u>	<u>1,504,828</u>	<u>1</u>
Total expenses	<u>22,505,783</u>	<u>21,429,708</u>	<u>1,076,075</u>
Change in net position	<u>\$ -</u>	1,491,804	<u>\$ 1,491,804</u>
Net position - beginning		<u>52,753,032</u>	
Net position - ending		<u>\$ 54,244,836</u>	

Note: The Emergency Services District Budget Variance report is shown on Page 36.



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

March 8, 2024

The Honorable Board of County Commissioners
and Constitutional Officers
Indian River 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 statements 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 **Indian River County, Florida** (the "County"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, collectively comprise the County's basic financial statements and have issued our report thereon dated March 8, 2024.

Report on Internal Control over Financial Reporting

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

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

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Lehmann Lobson LLC". The signature is written in a cursive, flowing style.

MANAGEMENT LETTER

March 8, 2024

The Honorable Board of County Commissioners
and Constitutional Officers
Indian River County, Florida

Report on the Financial Statements

We have audited the financial statements of governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of **Indian River County, Florida** (the "County"), as of and for the year ended September 30, 2023, and have issued our report thereon dated March 8, 2024.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's 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, which are dated March 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations 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. This information is disclosed in the notes to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5a. 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 conditions met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

A handwritten signature in black ink that reads "Lehmann Lohman LLC". The signature is written in a cursive, flowing style.

INDEPENDENT ACCOUNTANTS' REPORT

March 8, 2024

The Honorable Board of County Commissioners
and Constitutional Officers
Indian River County, Florida

We have examined the compliance of **Indian River County, Florida** ("the County") with Sections 218.415, 28.35, 28.36, 365.172(10), 365.173(2)(d) and 61.181 Florida Statutes, during the year ended September 30, 2023.

Management's Responsibility

Management is responsible for compliance with those requirements.

Independent Accountants' Responsibility

Our responsibility is to express an opinion on the County's compliance with those 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 is in compliance with specified requirements established by Florida Statute and performing such procedures as we considered necessary in the circumstances.

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.

Opinion

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

Purpose of this Report

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

Rehmann Loborn LLC



**INDEPENDENT AUDITORS' REPORT ON THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECTS
REQUIRED BY UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR
GENERAL**

March 8, 2024

The Honorable Board of County Commissioners
and Constitutional Officers
Indian River County, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Indian River County, Florida** (the "County") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 8, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state projects is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance)*, and Chapter 10.550, Rules of the Auditor General, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards and state projects is fairly stated in all material respects in relation to the basic financial statements as a whole.

Rehmann Lobach LLC



Indian River County, Florida
Schedule of Expenditures of Federal Awards and State Projects
For the Fiscal Year Ended September 30, 2023

Federal/State Agency Pass-through Entity Federal Program/State Project	AL/CSFA No.	Contract/ Grant No.	Expenditures	Transfers to Subrecipients
Department of Housing and Urban Development:				
Passed through Florida Dept. of Commerce:				
Community Development Block Grant				
Neighborhood Stabilization Program				
Community Development Block Grant	14.228	19DB-ON-10-40-01-H03	\$ 357,618 *	
Continuum of Care:				
Rental Assistance	14.267	FL0114L4H092114	80,430	\$ 6,507
Homeless Management Information Systems	14.267	FL0116L4H092114	33,000	33,000
Rental Assistance	14.267	FL0119L4H092114	293,325	25,294
Rental Assistance	14.267	FL0360L4H092112	107,810	8,695
Rental Assistance	14.267	FL0440L4H092110	122,994	9,942
Rental Assistance	14.267	FL0113L4H092109	114,894	8,321
Rental Assistance	14.267	FL0338L4H092108	94,429	6,649
Rental Assistance	14.267	FL0380L4H092107	119,790	7,060
Homeless Management Information Systems	14.267	FL0418L4H092109	20,880	20,880
Homeless Management Information Systems	14.267	FL0418L4H092008	6,960	6,960
Rental Assistance	14.267	FL0114L4H092215	22,792	-
Rental Assistance	14.267	FL0119L4H092215	60,804	-
Rental Assistance	14.267	FL0360L4H092213	16,452	-
Rental Assistance	14.267	FL0440L4H092211	17,076	-
Subtotal AL - 14.267			1,111,636	133,308
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871	FL-132	3,156,100	
Section 8 Emergency Housing Vouchers	14.871	FL-132	302,398	
Total Housing Voucher Cluster			3,458,498	
Total Department of Housing and Urban Development			4,927,752	133,308
Department of the Interior, National Park Service:				
Passed through Florida Dept. of Environmental Protection:				
Hallstrom Farmstead Conservation Area	15.916	LW695	148,500	
Total Department of the Interior			148,500	

* Expenditures incurred in prior fiscal years

Indian River County, Florida
Schedule of Expenditures of Federal Awards and State Projects
For the Fiscal Year Ended September 30, 2023

Federal/State Agency Pass-through Entity Federal Program/State Project	AL/CSFA No.	Contract/ Grant No.	Expenditures	Transfers to Subrecipients
Department of Justice:				
Passed through Office of the Attorney General:				
Crime Victim Assistance Program	16.575	V-2022-IRCSO-00293	\$ 94,885	
State Criminal Alien Assistance Program	16.606	15PBJA-21-RR-05081-SCAA	45,513	
State Criminal Alien Assistance Program	16.606	15PBJA-22-RR-05331-SCAA	35,380	
Subtotal AL - 16.606			80,893	
Passed through Florida Dept. of Law Enforcement:				
Workforce Development	16.738	15PBJA-21-GG-00241-MUMU	9,914	
Law Enforcement Money Documentation	16.738	15PBJA-21-GG-01358-JAGX	22,834	
Drug Detection Canine & Drug Detection Equipment	16.738	15PBJA-22-GG-02718-JAGX	9,975	
2022 Edward Byrne Memorial JAG Program	16.738	R7129 (JAGC -AED)	12,803	
Subtotal AL - 16.738			55,526	
Total Department of Justice			231,304	
Department of Transportation:				
Passed through Florida Department of Transportation:				
Metropolitan Planning Organization	20.205	G2933	396,448	
Trans-Florida Railway Trail	20.205	G2L32	212	
Subtotal AL - 20.205			396,660	
Passed through Florida Department of Transportation:				
Federal Transit Metropolitan Planning Grant	20.505	G1480	45,423	
Federal Transit Metropolitan Planning Grant	20.505	G1V41	84,553	
Federal Transit Metropolitan Planning Grant	20.505	G2173	75,687	
Subtotal AL - 20.505			205,663	
COVID-19 - Section 5311 - Non-Urbanized Public Transit	20.509	G1L75	60,624	\$ 60,624
Section 5311 Non-Urbanized Public Transit	20.509	G1V00	79,305	79,305
Section 5311 Non-Urbanized Public Transit - CRRSAA and ARP	20.509	G2F91	30,000	30,000
Subtotal AL - 20.509			169,929	169,929
Federal Transit Cluster:				
COVID-19 - Federal Transit Formula Section 5307 Grant	20.507	FL-2020-075-00	1,096,858	1,096,858
Federal Transit Formula Section 5307 Grant	20.507	FL-2018-103-00	23,418	23,418
Federal Transit Formula Section 5307 Grant	20.507	FL-2021-014-00	62,673	62,673
Federal Transit Formula Section 5307 Grant	20.507	FL-2022-006-00	119,804 *	119,804
Federal Transit Formula Section 5307 Grant	20.507	FL-2022-013-00	973,816	973,816
Federal Transit Formula Section 5307 Grant	20.507	FL-2022-055-00	740,095	740,095
Subtotal AL - 20.507			3,016,664	3,016,664
Federal Transit Formula Section 5339 Grant	20.526	FL-2019-045-00	185,899	185,899
Total Federal Transit Cluster			3,202,563	3,202,563
Total Department of Transportation			3,974,815	3,372,492

* Expenditures incurred in prior fiscal years

Indian River County, Florida
Schedule of Expenditures of Federal Awards and State Projects
For the Fiscal Year Ended September 30, 2023

Federal/State Agency Pass-through Entity Federal Program/State Project	AL/CSFA No.	Contract/ Grant No.	Expenditures	Transfers to Subrecipients
Department of the Treasury:				
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	N/A	\$ 10,670,424	\$ 328,938
Local Assistance & Tribal Consistency Fund	21.032	N/A	39,284	
Total Department of the Treasury			<u>10,709,708</u>	<u>328,938</u>
Department of Health and Human Services				
Health Resources and Services Administration:				
Administration for Children and Families				
Office of Child Support Enforcement:				
Passed through Florida Department of Revenue:				
Sheriff Service of Notices	93.563	00331	6,963	
Child Support Enforcement-Title IV D	93.563	COC31/2101FLCSES	433,590	
Subtotal AL - 93.563			<u>440,553</u>	
Total Department of Health and Human Services			<u>440,553</u>	
Department of Homeland Security:				
Passed through Division of Emergency Management:				
Jones' Pier Bungalow Elevation	97.039	H0566	342,091	
Emergency Management Performance Grant	97.042	G0371	45,940	
Operation Stonegarden	97.067	R0398	32,579	
Total Department of Homeland Security			<u>420,610</u>	
TOTAL EXPENDITURES OF FEDERAL AWARDS:			<u>\$ 20,853,242</u>	<u>\$ 3,834,738</u>

Indian River County, Florida
Schedule of Expenditures of Federal Awards and State Projects
For the Fiscal Year Ended September 30, 2023

Federal/State Agency Pass-through Entity Federal Program/State Project	AL/CSFA No.	Contract/ Grant No.	Expenditures	Transfers to Subrecipients
STATE OF FLORIDA				
Division of Emergency Management:				
Emergency Management Preparedness and Assistance	31.063	A0237	\$ 77,803	
Emergency Management Preparedness and Assistance	31.063	A0370	28,365	
Subtotal CSFA - 31.063			<u>106,168</u>	
Hazardous Materials Analysis Grant	31.067	T0201	<u>1,502</u>	
Total Division of Emergency Management			<u>107,670</u>	
Department of Environmental Protection:				
West Wabasso Septic to Sewer Phase 3	37.039	WG001	344,069	
North Sebastian Water and Sewer Phase 2	37.039	LPQ0019	1,069,065	
Subtotal CSFA - 37.039			<u>1,413,134</u>	
Total Department of Environmental Protection			<u>1,413,134</u>	
Florida Housing Finance Corporation:				
State Housing Initiatives Partnership	40.901	N/A	779,777	
Total Florida Housing Finance Corporation			<u>779,777</u>	
Department of State:				
State Aid to Libraries	45.030	23-ST-21	72,942	
Passed through the Division of Historical Resources: Kroegel Homestead Historic Structures	45.031	3H125	6,260	
Total Department of State			<u>79,202</u>	
Department of Transportation:				
Transportation Disadvantaged Grant	55.002	G2I93	3,680	
Transportation Disadvantaged Grant	55.002	G2949	18,855	
Subtotal CSFA - 55.002			<u>22,535</u>	
Small County Outreach Program - 6th Ave. from US1 to 21st St.	55.009	G1W57	758,222	
Small County Outreach Program - 69th St. from 66th Ave to US1	55.009	G1U61	1,128,608	
Small County Outreach Program - IR Blvd. from Barber Bridge to 53rd St.	55.009	G2720	3,408,269	
County Incentive Grant Program - SR 60 and 43rd Ave. Intersection	55.009	G0K60	1,271,618	
Subtotal CSFA - 55.009			<u>6,566,717</u>	
Public Transit Block Grant	55.010	G2F87	134,013	\$ 134,013
Public Transit Block Grant	55.010	G1U60	561,914	561,914
Subtotal CSFA - 55.010			<u>695,927</u>	<u>695,927</u>
Service Development Grant	55.012	G1M90	46,800	46,800
Transit Corridor Grant	55.013	G1650	121,499	121,499
Transportation Regional Incentive Program - 66th Ave. from 49th to 69th	55.026	G1952	4,315,255	
Transportation Regional Incentive Program - 66th Ave. from 69th to 85th	55.026	G2A86	541,439	
Subtotal CSFA - 55.026			<u>4,856,694</u>	
Total Department of Transportation			<u>12,310,172</u>	<u>864,226</u>

Indian River County, Florida
Schedule of Expenditures of Federal Awards and State Projects
For the Fiscal Year Ended September 30, 2023

Federal/State Agency Pass-through Entity Federal Program/State Project	AL/CSFA No.	Contract/ Grant No.	Expenditures	Transfers to Subrecipients
<u>STATE OF FLORIDA - Continued</u>				
Department of Commerce:				
Facilities for Retained Spring Training Franchise	40.040	N/A	\$ 500,004	
Total Department of Commerce			<u>500,004</u>	
Florida Fish and Wildlife Conservation Commission:				
Derelict Vessel Removal	77.005	21255	31,295	
Total Florida Fish and Wildlife Conservation Commission			<u>31,295</u>	
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE:			<u>\$ 15,221,254</u>	<u>\$ 864,226</u>

Indian River County, Florida
Notes to Schedule of Expenditures of Federal Awards and State Projects
For the Fiscal Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the Single Audit Report of Indian River County, Florida, (the County) have been designed to conform to generally accepted accounting principles as applicable to governmental units. This includes the reporting and compliance 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 other applicable guidance.

A. Reporting Entity

The reporting entity consists of Indian River County, the primary government, and each of its component units. The County includes a Schedule of Expenditures of Federal Awards and State Projects in the Compliance Section.

B. 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. The Schedule of Expenditures of Federal Awards and State Projects is maintained on a modified accrual basis of accounting for governmental funds and a full accrual basis for proprietary funds, which is explained further in the notes to the financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, and other applicable guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

C. Program Clusters

The Uniform Guidance defines a cluster of programs as a grouping of closely related programs that share common compliance requirements. According to this definition, similar programs deemed to be a cluster of programs are tested accordingly.

D. Contingencies

Grant revenue amounts received by the County are subject to audit and adjustment by the grantor agencies. Such audits may result in requests for reimbursement by the grantor agency. Any adjustments to grant funding are recorded in the year the adjustment occurs.

NOTE 2 - INDIRECT COST RATES

In the absence of a negotiated federal indirect cost rate, the County has elected to use a de minimis rate of 10% of modified total direct costs.

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

March 8, 2024

Honorable Board of County Commissioners
and Constitutional Officers
Indian River County, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

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

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550 are further described in the Independent Auditors' Responsibilities for the Audit of Compliance section of our report.

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



Responsibilities of Management for Compliance

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

Independent Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 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 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 Independent Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

Purpose of this Report

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, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Lehmann Johnson LLC". The signature is written in a cursive, flowing style.

INDIAN RIVER COUNTY, FLORIDA

Schedule of Findings and Questioned Costs - Federal Programs and State Projects For the Year Ended September 30, 2023

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u> X </u> no

Federal Awards and State Projects

Internal control over major programs and projects:

Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major programs and projects:

Assistance Listing Number

21.027

Name of Federal Program or Cluster

Coronavirus State and Local Fiscal Recovery Funds

CSFA Number

40.040
55.009
55.010

Name of State Project

Economic Development Projects
Small County Outreach Program
Public Transit Block Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000 (Federal and State)

Auditee qualified as low-risk auditee?

 X yes no

INDIAN RIVER COUNTY, FLORIDA

Schedule of Findings and Questioned Costs - Federal Programs and State Projects

For the Year Ended September 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III – FEDERAL AWARD AND STATE PROJECT FINDINGS AND QUESTIONED COSTS

None noted.

INDIAN RIVER COUNTY, FLORIDA

Summary Schedule of Prior Audit Findings - Federal Programs and State Projects

For the Year Ended September 30, 2023

None noted.

Ryan L. Butler

Clerk of Circuit Court and Comptroller
Comptroller Division
1801 27th Street, Building A
Vero Beach, Florida 32960
Telephone (772) 226-1516



AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Ryan L. Butler, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of Indian River County, which is a local governmental entity of the State of Florida.

2. Indian River County adopted Ordinance No. **2005-015** on May 17, 2005 implementing eight new impact fee categories, plus revised transportation impact fees (9 total impact fee categories). The impact fees were subsequently amended on the following dates:

- March 24, 2009 in Ordinance No. **2009-003**, the temporary suspension of five of the nine original impact fees from April 1, 2009 through September 30, 2009.
- September 22, 2009 in Ordinance No. **2009-015**, the impact fee rate schedule was updated and the temporary suspension of five of the nine original impact fees from October 1, 2009 through March 31, 2010.
- March 16, 2010 in Ordinance No. **2010-002**, the temporary suspension of five of the nine original impact fees was extended until March 31, 2011.
- March 15, 2011 in Ordinance No. **2011-002**, the impact fees were amended to suspend three of the nine original impact fees from April 1, 2011 through March 31, 2012.
- March 13, 2012, Ordinance No. **2012-003** continued this suspension from April 1, 2012 through March 31, 2014.
- March 11, 2014, Ordinance No. **2014-004** continued this suspension from April 1, 2014 through March 31, 2015.
- April 22, 2014, Ordinance No. **2014-009** adopted new non-residential impact fee schedules.
- October 14, 2014, Ordinance No. **2014-016** was adopted, which contained new impact fee schedules comprised of the non-residential impact fees adopted as part of Ordinance 2014-009 and new impact fees for residential uses and new impact fees for a new impact fee category for High-Cube Automated Warehouse. Both Ordinance 2014-009 and Ordinance 2014-016 also continued the suspensions of three impact fee categories pending further trend evaluation during the next scheduled impact fee methodological update.

Continued

- On March 10, 2020, Ordinance No. **2020-005** was adopted, which amended the impact fee schedules and included new waiver/reductions for certain Single-Family affordable housing and continued the aforementioned three impact fee category suspensions.
- On January 17, 2023, Ordinance No. **2023-002** was adopted, which amended the impact fee schedules and included new waiver/reductions for certain Single-Family and Multi-Family affordable housing and continued the aforementioned three impact fee category suspensions.

3. Indian River County has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

[Signature]
(Chief Financial Officer of the Entity)

STATE OF FLORIDA, COUNTY OF INDIAN RIVER

SWORN TO AND SUBSCRIBED before me this 1 day of March, 2024.

[Signature]
NOTARY PUBLIC

Print Name Annhalys Perdomo

Personally known ✓ or produced identification _____

Type of identification produced: _____

My Commission Expires: 08/08/27



ANNHALYS PERDOMO
Notary Public
State of Florida
Comm# HH431283
Expires 8/8/2027



BOARD OF COUNTY COMMISSIONERS

INDEPENDENT AUDITORS' REPORT

March 8, 2024

The Honorable Board of County Commissioners
Indian River County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying fund financial statements of each major fund and the aggregate remaining fund information of the **Indian River County, Florida Board of County Commissioners** (the "Board"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Board, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparisons for the general fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Reporting Entity

As discussed in Note 1, the financial statements referred to above present only the Indian River County, Florida Board of County Commissioners and do not purport to, and do not, present fairly the financial position of Indian River County, Florida as of September 30, 2023, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditors' Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2024, on our consideration of the Board'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 Board'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 Board's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Lehmann Lobson LLC". The signature is written in a cursive, flowing style.



Indian River County, Florida
Board of County Commissioners
Balance Sheet
Governmental Funds
September 30, 2023

	General	Impact Fees	Transportation
ASSETS			
Cash and investments	\$ 86,385,610	\$ 32,012,578	\$ 16,133,232
Accounts receivable - net	1,113,736	-	1,309
Leases receivable	1,186,364	-	-
Special assessments receivable	-	-	124,103
Due from other funds	4,243,991	-	-
Due from other governments	6,782,861	1,955,495	652,788
Interest receivable	344,976	116,197	179,881
Inventories	47,480	-	-
Prepays and other assets	71,496	531	35,838
Total assets	<u>\$ 100,176,514</u>	<u>\$ 34,084,801</u>	<u>\$ 17,127,151</u>
LIABILITIES			
Accounts payable	\$ 5,050,379	\$ 1,133,959	\$ 412,398
Retainage payable	4,650	741,613	-
Due to other funds	-	-	-
Due to other governments	78,178	94,385	-
Unearned revenues	317,623	-	-
Other deposits	378,772	-	-
Total liabilities	<u>5,829,602</u>	<u>1,969,957</u>	<u>412,398</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - special assessments	-	-	247,092
Unavailable revenue - ambulance services	-	-	-
Unavailable revenue - state and federal grants	1,045,034	677,651	385,969
Unavailable revenue - investment interest	189,404	65,008	31,828
Deferred inflows related to leases	1,152,016	-	-
Deferred inflows related to opioid settlements	-	-	-
Total deferred inflows of resources	<u>2,386,454</u>	<u>742,659</u>	<u>664,889</u>
FUND BALANCES			
Nonspendable:			
Inventories	47,480	-	-
Prepaid items	71,496	531	35,838
Restricted for:			
Transportation/road improvements	-	19,091,672	-
Court-related costs and improvements	-	-	-
Housing assistance	-	-	-
Law enforcement/public safety	-	746,455	-
Fire/emergency services	-	2,378,273	-
Tourism-related activities	-	-	-
Boating related projects	-	-	-
Land acquisition	-	-	-
Stormwater, street lighting, and other special assessments	-	-	-
Coronavirus assistance	-	-	-
Drug treatment/mental health services	-	-	-
Debt service	-	-	-
Capital projects	-	2,804,101	-
Dodgertown repairs/improvements	-	-	-
Parks/recreational projects	761,354	6,351,153	-
Committed to:			
Economic incentives	415,619	-	-
Environmental conservation/preservation	-	-	-
Library services	17,862	-	-
Parks/recreational projects	147,955	-	-
Assigned to:			
Coronavirus assistance	-	-	-
Transportation/road improvements	-	-	16,014,026
Unassigned (deficit)	90,498,692	-	-
Total fund balances	<u>91,960,458</u>	<u>31,372,185</u>	<u>16,049,864</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 100,176,514</u>	<u>\$ 34,084,801</u>	<u>\$ 17,127,151</u>

The accompanying notes are an integral part of the financial statements.

Emergency Services District	Coastal Engineering	American Rescue Plan	Optional Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 31,103,030	\$ 699	\$ 14,425,968	\$ 100,482,464	\$ 35,348,770	\$ 315,892,351
4,264,412	-	-	50,000	151,652	5,581,109
-	-	-	-	53,832	1,240,196
-	-	-	-	-	124,103
-	-	-	-	-	4,243,991
757,189	9,358,180	-	4,790,009	3,951,323	28,247,845
118,318	-	60,103	354,540	122,493	1,296,508
102,053	-	-	-	-	149,533
114,899	-	-	-	48,093	270,857
<u>\$ 36,459,901</u>	<u>\$ 9,358,879</u>	<u>\$ 14,486,071</u>	<u>\$ 105,677,013</u>	<u>\$ 39,676,163</u>	<u>\$ 357,046,493</u>
\$ 1,262,853	\$ 182,854	\$ 1,215,822	\$ 2,607,174	\$ 1,226,739	\$ 13,092,178
6,162	-	261,591	1,240,121	381,068	2,635,205
-	4,000,000	-	-	223,000	4,223,000
-	-	-	-	-	172,563
37,147	-	12,147,787	-	1,960,966	14,463,523
-	-	-	-	1,953,169	2,331,941
<u>1,306,162</u>	<u>4,182,854</u>	<u>13,625,200</u>	<u>3,847,295</u>	<u>5,744,942</u>	<u>36,918,410</u>
-	-	-	-	-	247,092
3,428,996	-	-	-	-	3,428,996
347,946	9,243,354	-	1,624,346	907,262	14,231,562
66,194	-	33,625	201,879	68,507	656,445
-	-	-	-	50,598	1,202,614
-	-	-	-	2,093,787	2,093,787
<u>3,843,136</u>	<u>9,243,354</u>	<u>33,625</u>	<u>1,826,225</u>	<u>3,120,154</u>	<u>21,860,496</u>
102,053	-	-	-	-	149,533
114,899	-	-	-	48,093	270,857
-	-	-	-	9,136,564	28,228,236
-	-	-	-	212,435	212,435
-	-	-	-	2,864,121	2,864,121
-	-	-	-	2,542,721	3,289,176
31,093,651	-	-	-	-	33,471,924
-	-	-	-	3,033,433	3,033,433
-	-	-	-	1,414,382	1,414,382
-	-	-	-	870,185	870,185
-	-	-	-	2,414,243	2,414,243
-	-	827,246	-	-	827,246
-	-	-	-	73,355	73,355
-	-	-	-	640,124	640,124
-	-	-	100,003,493	-	102,807,594
-	-	-	-	5,073,324	5,073,324
-	-	-	-	-	7,112,507
-	-	-	-	-	415,619
-	-	-	-	2,753,059	2,753,059
-	-	-	-	-	17,862
-	-	-	-	-	147,955
-	-	-	-	80,690	80,690
-	-	-	-	-	16,014,026
-	(4,067,329)	-	-	(345,662)	86,085,701
<u>31,310,603</u>	<u>(4,067,329)</u>	<u>827,246</u>	<u>100,003,493</u>	<u>30,811,067</u>	<u>298,267,587</u>
<u>\$ 36,459,901</u>	<u>\$ 9,358,879</u>	<u>\$ 14,486,071</u>	<u>\$ 105,677,013</u>	<u>\$ 39,676,163</u>	<u>\$ 357,046,493</u>

Indian River County, Florida
Board of County Commissioners
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2023

	General	Impact Fees	Transportation
REVENUES			
Taxes	\$ 95,633,541	\$ -	\$ -
Permits, fees and special assessments	12,433,272	7,575,739	466,081
Intergovernmental	25,428,622	3,607,263	3,295,469
Charges for services	3,574,519	-	95,602
Judgments, fines and forfeits	469,141	-	500
Investment income	4,389,805	1,352,546	549,290
Miscellaneous	4,849,283	11,175	533,758
Total revenues	<u>146,778,183</u>	<u>12,546,723</u>	<u>4,940,700</u>
EXPENDITURES			
Current:			
General government	14,720,569	303,806	454,262
Public safety	4,886,195	56,982	-
Physical environment	380,223	-	1,352,098
Transportation	6,223,913	15,897,170	15,329,965
Economic environment	514,021	-	-
Human services	6,674,165	-	-
Culture/recreation	13,154,863	1,161,976	-
Court related	435,224	-	-
Debt service:			
Principal	10,933	-	194
Interest and other fiscal charges	2,171	-	50
Capital projects	-	-	-
Total expenditures	<u>47,002,277</u>	<u>17,419,934</u>	<u>17,136,569</u>
Excess of revenues over (under) expenditures	<u>99,775,906</u>	<u>(4,873,211)</u>	<u>(12,195,869)</u>
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	11,933	-	-
Transfers in	-	-	16,120,474
Transfers out	(16,355,887)	-	(218,050)
Transfers to constitutional officers	(72,430,188)	(217,135)	-
Lease financings	70,803	-	-
SBITA financings	-	-	-
Total other financing sources (uses)	<u>(88,703,339)</u>	<u>(217,135)</u>	<u>15,902,424</u>
Net change in fund balances	11,072,567	(5,090,346)	3,706,555
Fund balances at beginning of year	<u>80,887,891</u>	<u>36,462,531</u>	<u>12,343,309</u>
Fund balances at end of year	<u>\$ 91,960,458</u>	<u>\$ 31,372,185</u>	<u>\$ 16,049,864</u>

The accompanying notes are an integral part of the financial statements.

Emergency Services District	Coastal Engineering	American Rescue Plan	Optional Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 43,687,811	\$ 2,244,347	\$ -	\$ 27,193,546	\$ 6,483,280	\$ 175,242,525
-	-	-	-	517,614	20,992,706
75,764	914,608	10,670,424	4,260,609	12,516,215	60,768,974
8,922,318	-	-	-	941,209	13,533,648
7,850	-	-	-	1,065,861	1,543,352
1,533,533	-	751,633	3,453,365	1,236,641	13,266,813
92,889	104	-	-	335,912	5,823,121
54,320,165	3,159,059	11,422,057	34,907,520	23,096,732	291,171,139
-	-	316,593	-	828,541	16,623,771
46,283,992	-	1,069,525	-	571,434	52,868,128
-	-	7,027,118	-	217,997	8,977,436
-	-	1,248,894	-	9,282,098	47,982,040
-	-	68,750	-	71,523	654,294
-	-	939,544	-	5,474,192	13,087,901
-	1,947,908	-	-	3,691,192	19,955,939
-	-	-	-	753,374	1,188,598
70,503	-	-	-	420,349	501,979
11,652	-	-	-	155,451	169,324
-	-	-	16,166,045	-	16,166,045
46,366,147	1,947,908	10,670,424	16,166,045	21,466,151	178,175,455
7,954,018	1,211,151	751,633	18,741,475	1,630,581	112,995,684
-	-	-	-	-	11,933
-	562,714	-	-	559,395	17,242,583
-	-	-	(747,723)	(560,685)	(17,882,345)
(1,054,189)	-	-	(2,211,669)	(459,431)	(76,372,612)
-	-	-	-	5,145	75,948
110,086	-	-	-	92,255	202,341
(944,103)	562,714	-	(2,959,392)	(363,321)	(76,722,152)
7,009,915	1,773,865	751,633	15,782,083	1,267,260	36,273,532
24,300,688	(5,841,194)	75,613	84,221,410	29,543,807	261,994,055
\$ 31,310,603	\$ (4,067,329)	\$ 827,246	\$ 100,003,493	\$ 30,811,067	\$ 298,267,587

Indian River County, Florida
Board of County Commissioners
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes	\$ 94,164,244	\$ 94,164,244	\$ 95,633,541	\$ 1,469,297
Permits, fees and special assessments	10,102,300	10,102,300	12,433,272	2,330,972
Intergovernmental	17,735,827	28,692,730	25,428,622	(3,264,108)
Charges for services	3,320,596	3,343,396	3,574,519	231,123
Judgments, fines and forfeits	339,026	339,026	469,141	130,115
Investment income	182,875	182,875	4,389,805	4,206,930
Miscellaneous	4,565,199	4,588,249	4,849,283	261,034
Total revenues	<u>130,410,067</u>	<u>141,412,820</u>	<u>146,778,183</u>	<u>5,365,363</u>
EXPENDITURES				
Current:				
General government	15,289,586	17,065,420	14,720,569	2,344,851
Public safety	4,836,158	5,324,649	4,886,195	438,454
Physical environment	455,579	485,604	380,223	105,381
Transportation	790,385	11,447,975	6,223,913	5,224,062
Economic environment	513,866	534,585	514,021	20,564
Human services	6,818,597	6,915,874	6,674,165	241,709
Culture/recreation	13,229,945	15,406,266	13,154,863	2,251,403
Court related	512,707	517,780	435,224	82,556
Debt Service:				
Principal	-	10,934	10,933	1
Interest and other fiscal charges	-	2,172	2,171	1
Total expenditures	<u>42,446,823</u>	<u>57,711,259</u>	<u>47,002,277</u>	<u>10,708,982</u>
Excess of revenues over (under) expenditures	<u>87,963,244</u>	<u>83,701,561</u>	<u>99,775,906</u>	<u>16,074,345</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	11,933	11,933
Transfers out	(16,355,887)	(16,355,887)	(16,355,887)	-
Transfers to constitutional officers	(73,671,969)	(74,383,712)	(72,430,188)	1,953,524
Lease financings	-	-	70,803	70,803
Total other financing sources (uses)	<u>(90,027,856)</u>	<u>(90,739,599)</u>	<u>(88,703,339)</u>	<u>2,036,260</u>
Net change in fund balances	<u>(2,064,612)</u>	<u>(7,038,038)</u>	<u>11,072,567</u>	<u>\$ 18,110,605</u>
Fund balances at beginning of year	<u>2,064,612</u>	<u>7,038,038</u>	<u>80,887,891</u>	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,960,458</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Board of County Commissioners
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Impact Fees Fund
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Permits, fees and special assessments	\$ 7,493,980	\$ 7,493,980	\$ 7,575,739	\$ 81,759
Intergovernmental	-	743,151	3,607,263	2,864,112
Investment income	11,400	11,400	1,352,546	1,341,146
Miscellaneous	-	-	11,175	11,175
Total revenues	<u>7,505,380</u>	<u>8,248,531</u>	<u>12,546,723</u>	<u>4,298,192</u>
EXPENDITURES				
General government	407,294	1,187,761	303,806	883,955
Public safety	1,795,000	1,348,998	56,982	1,292,016
Transportation	12,684,456	27,720,400	15,897,170	11,823,230
Culture/recreation	1,490,000	4,492,197	1,161,976	3,330,221
Total expenditures	<u>16,376,750</u>	<u>34,749,356</u>	<u>17,419,934</u>	<u>17,329,422</u>
Excess of revenues over (under) expenditures	<u>(8,871,370)</u>	<u>(26,500,825)</u>	<u>(4,873,211)</u>	<u>21,627,614</u>
OTHER FINANCING SOURCES (USES)				
Transfers to constitutional officers	<u>(300,000)</u>	<u>(850,000)</u>	<u>(217,135)</u>	<u>632,865</u>
Total other financing sources (uses)	<u>(300,000)</u>	<u>(850,000)</u>	<u>(217,135)</u>	<u>632,865</u>
Net change in fund balances	<u>(9,171,370)</u>	<u>(27,350,825)</u>	<u>(5,090,346)</u>	<u>\$ 22,260,479</u>
Fund balances at beginning of year	<u>9,171,370</u>	<u>27,350,825</u>	<u>36,462,531</u>	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,372,185</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Board of County Commissioners
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Transportation Fund
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Permits, fees and special assessments	\$ 544,350	\$ 544,350	\$ 466,081	\$ (78,269)
Intergovernmental	3,035,250	3,035,250	3,295,469	260,219
Charges for services	101,650	101,650	95,602	(6,048)
Judgments, fines and forfeits	-	-	500	500
Investment income	22,325	22,325	549,290	526,965
Miscellaneous	392,500	392,500	533,758	141,258
Total revenues	<u>4,096,075</u>	<u>4,096,075</u>	<u>4,940,700</u>	<u>844,625</u>
EXPENDITURES				
General government	450,623	922,332	454,262	468,070
Physical environment	1,950,706	2,176,189	1,352,098	824,091
Transportation	18,060,901	19,246,235	15,329,965	3,916,270
Debt Service:				
Principal	-	195	194	1
Interest and other fiscal charges	-	51	50	1
Total expenditures	<u>20,462,230</u>	<u>22,345,002</u>	<u>17,136,569</u>	<u>5,208,433</u>
Excess of revenues over (under) expenditures	<u>(16,366,155)</u>	<u>(18,248,927)</u>	<u>(12,195,869)</u>	<u>6,053,058</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	16,120,474	16,120,474	16,120,474	-
Transfers out	(218,050)	(218,050)	(218,050)	-
Total other financing sources (uses)	<u>15,902,424</u>	<u>15,902,424</u>	<u>15,902,424</u>	<u>-</u>
Net change in fund balances	(463,731)	(2,346,503)	3,706,555	<u>\$ 6,053,058</u>
Fund balances at beginning of year	<u>463,731</u>	<u>2,346,503</u>	<u>12,343,309</u>	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,049,864</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Board of County Commissioners
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Emergency Services District Fund
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes	\$ 43,064,066	\$ 43,064,066	\$ 43,687,811	\$ 623,745
Intergovernmental	57,000	93,014	75,764	(17,250)
Charges for services	7,366,456	7,870,108	8,922,318	1,052,210
Judgments, fines and forfeits	7,600	7,600	7,850	250
Investment income	52,250	52,250	1,533,533	1,481,283
Miscellaneous	190	190	92,889	92,699
Total revenues	50,547,562	51,087,228	54,320,165	3,232,937
EXPENDITURES				
Current:				
Public safety	47,366,634	56,250,391	46,283,992	9,966,399
Debt Service:				
Principal	-	70,504	70,503	1
Interest and other fiscal charges	-	11,652	11,652	-
Total expenditures	47,366,634	56,332,547	46,366,147	9,966,400
Excess of revenues over (under) expenditures	3,180,928	(5,245,319)	7,954,018	13,199,337
OTHER FINANCING SOURCES (USES)				
Transfers to constitutional officers	(1,051,398)	(1,123,421)	(1,054,189)	69,232
SBITA financings	-	-	110,086	110,086
Total other financing sources (uses)	(1,051,398)	(1,123,421)	(944,103)	179,318
Net change in fund balances	2,129,530	(6,368,740)	7,009,915	\$ 13,378,655
Fund balances at beginning of year	(2,129,530)	6,368,740	24,300,688	
Fund balances at end of year	\$ -	\$ -	\$ 31,310,603	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Board of County Commissioners
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Coastal Engineering Fund
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 1,567,386	\$ 1,567,386	\$ 2,244,347	\$ 676,961
Intergovernmental	-	-	914,608	914,608
Miscellaneous	-	-	104	104
Total revenues	<u>1,567,386</u>	<u>1,567,386</u>	<u>3,159,059</u>	<u>1,591,673</u>
EXPENDITURES				
Culture/recreation	<u>2,568,461</u>	<u>3,324,123</u>	<u>1,947,908</u>	<u>1,376,215</u>
Total expenditures	<u>2,568,461</u>	<u>3,324,123</u>	<u>1,947,908</u>	<u>1,376,215</u>
Excess of revenues over (under) expenditures	<u>(1,001,075)</u>	<u>(1,756,737)</u>	<u>1,211,151</u>	<u>2,967,888</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>188,924</u>	<u>188,924</u>	<u>562,714</u>	<u>373,790</u>
Total other financing sources (uses)	<u>188,924</u>	<u>188,924</u>	<u>562,714</u>	<u>373,790</u>
Net change in fund balances	(812,151)	(1,567,813)	1,773,865	<u>\$ 3,341,678</u>
Fund balances at beginning of year	<u>812,151</u>	<u>1,567,813</u>	<u>(5,841,194)</u>	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,067,329)</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Board of County Commissioners
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
American Rescue Plan Fund
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 10,670,424	\$ 10,670,424
Investment income	-	-	751,633	751,633
Total revenues	-	-	11,422,057	11,422,057
EXPENDITURES				
General government	-	4,827,904	316,593	4,511,311
Public safety	-	2,204,626	1,069,525	1,135,101
Physical environment	-	8,000,000	7,027,118	972,882
Transportation	-	2,979,119	1,248,894	1,730,225
Economic environment	-	68,750	68,750	-
Human services	-	4,737,812	939,544	3,798,268
Total expenditures	-	22,818,211	10,670,424	12,147,787
Net change in fund balances	-	(22,818,211)	751,633	\$ 23,569,844
Fund balances at beginning of year	-	22,818,211	75,613	
Fund balances at end of year	\$ -	\$ -	\$ 827,246	

The accompanying notes are an integral part of the financial statements.



Indian River County, Florida
Board of County Commissioners
Statement of Fund Net Position
Proprietary Funds
September 30, 2023

	Enterprise Funds					Internal Service Funds
	Solid Waste Disposal District	Golf Course	County Utilities	County Building	Total	
ASSETS						
Current assets:						
Cash and investments	\$ 23,942,447	\$ 3,373,575	\$ 38,994,907	\$ 7,311,422	\$ 73,622,351	\$ 42,391,175
Accounts receivable - net	258,523	3,156	4,572,075	225	4,833,979	224,571
Leases receivable	-	-	944,759	-	944,759	-
Due from other governments	182,345	637	2,707,431	1,205	2,891,618	89,589
Interest receivable	93,708	12,133	347,495	26,256	479,592	145,236
Inventories	-	187,900	3,583,686	-	3,771,586	408,790
Prepays and other assets	2,233	16,000	23,660	7,847	49,740	2,951,344
Current restricted assets:						
Cash and investments	11,413,238	-	39,544,128	-	50,957,366	-
Total current assets	35,892,494	3,593,401	90,718,141	7,346,955	137,550,991	46,210,705
Non-current assets:						
Capital assets - non-depreciable	15,482,818	7,266,836	41,696,696	-	64,446,350	337,699
Capital assets - depreciable	40,145,981	5,504,603	488,488,050	1,730,271	535,868,905	6,126,772
Capital assets - accumulated depreciation/amortization	(21,316,931)	(2,813,797)	(344,487,431)	(565,655)	(369,183,814)	(4,095,619)
Non-current restricted assets:						
Special assessments receivable	-	-	1,019,867	-	1,019,867	-
Impact fees receivable	-	-	985,405	-	985,405	-
Liens receivable	-	-	2,377,431	-	2,377,431	-
Total non-current assets	34,311,868	9,957,642	190,080,018	1,164,616	235,514,144	2,368,852
Total assets	70,204,362	13,551,043	280,798,159	8,511,571	373,065,135	48,579,557
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	139,759	119,395	1,676,840	324,048	2,260,042	277,828
Deferred outflows related to other postemployment benefits	26,856	7,175	336,058	82,093	452,182	65,613
Total deferred outflows of resources	166,615	126,570	2,012,898	406,141	2,712,224	343,441
LIABILITIES						
Current liabilities (payable from current assets):						
Accounts payable	4,232,651	83,152	1,656,672	341,933	6,314,408	2,477,303
Retainage payable	108,954	-	416,538	-	525,492	-
Due to other funds	-	20,991	-	-	20,991	-
Claims payable	-	-	-	-	-	3,934,000
Due to other governments	-	13,762	33,928	38,796	86,486	-
Other deposits	12,500	1,000	248,922	-	262,422	2,633
Unearned revenues	-	139,433	4,962	1,675,090	1,819,485	-
Pollution remediation costs payable	-	-	70,000	-	70,000	-
Accrued compensated absences	75,016	30,585	679,737	127,669	913,007	134,612
SBITA liability	-	-	45,130	55,180	100,310	807,315
Total current liabilities (payable from current assets)	4,429,121	288,923	3,155,889	2,238,668	10,112,601	7,355,863
Current liabilities (payable from restricted assets):						
Accounts payable	-	-	148,431	-	148,431	-
Accrued interest payable	-	-	2,087	275	2,362	11,324
Closure and maintenance costs payable	2,000,000	-	-	-	2,000,000	-
Customer deposits	237,743	-	3,497,840	-	3,735,583	-
Total current liabilities (payable from restricted assets)	2,237,743	-	3,648,358	275	5,886,376	11,324
Total current liabilities	6,666,864	288,923	6,804,247	2,238,943	15,998,977	7,367,187
Non-current liabilities:						
Accrued compensated absences	38,441	52,944	92,216	51,608	235,209	120,523
Claims payable	-	-	-	-	-	7,422,724
Closure and maintenance costs payable	8,675,495	-	-	-	8,675,495	-
Net pension liability	685,065	563,057	8,621,520	1,966,925	11,836,567	1,555,763
Net other postemployment benefits liability	25,650	6,031	308,564	76,212	416,457	59,666
SBITA liability	-	-	49,765	42,690	92,455	-
Total non-current liabilities	9,424,651	622,032	9,072,065	2,137,435	21,256,183	9,158,676
Total liabilities	16,091,515	910,955	15,876,312	4,376,378	37,255,160	16,525,863
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	2,869	18,461	210,176	4,521	236,027	92,023
Deferred inflows related to other postemployment benefits	31,757	10,475	396,578	90,365	529,175	60,716
Deferred inflows related to leases	-	-	913,326	-	913,326	-
Total deferred inflows of resources	34,626	28,936	1,520,080	94,886	1,678,528	152,739
NET POSITION						
Net investment in capital assets	31,918,654	9,940,840	185,056,925	1,066,746	227,983,165	1,539,837
Unrestricted (deficit)	22,326,182	2,796,882	80,357,740	3,379,702	108,860,506	30,704,559
Total net position	\$ 54,244,836	\$ 12,737,722	\$ 265,414,665	\$ 4,446,448	\$ 336,843,671	\$ 32,244,396

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Board of County Commissioners
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2023

	Enterprise Funds	
	Solid Waste Disposal District	Golf Course
OPERATING REVENUES		
Charges for services	\$ 21,365,801	\$ 4,877,674
Total operating revenues	21,365,801	4,877,674
OPERATING EXPENSES		
Personal services	1,184,360	834,287
Material, supplies, services and other operating	18,715,598	2,620,599
Depreciation	1,504,828	288,252
Total operating expenses	21,404,786	3,743,138
Operating income (loss)	(38,985)	1,134,536
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental	-	-
Investment income	1,555,711	125,559
Insurance recoveries	-	-
Lease revenue	-	-
Gain on disposal of assets	-	2,624
Interest expense	-	(1,765)
Loss on disposal of assets	(24,922)	(34,782)
Total nonoperating revenues (expenses)	1,530,789	91,636
Income (loss) before transfers and capital contributions	1,491,804	1,226,172
Capital grants and contributions	-	-
Transfers	-	-
Change in net position	1,491,804	1,226,172
Total net position - beginning	52,753,032	11,511,550
Total net position - ending	\$ 54,244,836	\$ 12,737,722

The accompanying notes are an integral part of the financial statements.

Enterprise Funds

<u>County Utilities</u>	<u>County Building</u>	<u>Total</u>	<u>Internal Service Funds</u>
\$ 40,827,333	\$ 6,012,581	\$ 73,083,389	\$ 41,950,544
40,827,333	6,012,581	73,083,389	41,950,544
13,238,994	3,581,928	18,839,569	5,325,727
22,218,193	2,492,904	46,047,294	33,385,797
13,144,717	95,190	15,032,987	1,124,988
48,601,904	6,170,022	79,919,850	39,836,512
(7,774,571)	(157,441)	(6,836,461)	2,114,032
3	-	3	-
2,994,783	276,082	4,952,135	1,564,493
5,227	-	5,227	5,943
332,483	-	332,483	-
61,667	-	64,291	326
(2,087)	(904)	(4,756)	(16,163)
(552,959)	(11,699)	(624,362)	(151,367)
2,839,117	263,479	4,725,021	1,403,232
(4,935,454)	106,038	(2,111,440)	3,517,264
9,523,892	-	9,523,892	15,079
593,273	-	593,273	46,489
5,181,711	106,038	8,005,725	3,578,832
260,232,954	4,340,410	328,837,946	28,665,564
<u>\$ 265,414,665</u>	<u>\$ 4,446,448</u>	<u>\$ 336,843,671</u>	<u>\$ 32,244,396</u>

Indian River County, Florida
Board of County Commissioners
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2023

	Enterprise Funds	
	Solid Waste Disposal District	Golf Course
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 21,358,672	\$ 4,898,460
Cash paid to suppliers for goods and services	(16,295,956)	(2,628,609)
Cash paid to employees for services	(1,058,122)	(746,507)
Net cash provided by (used in) operating activities	4,004,594	1,523,344
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers	-	-
Operating grants	13,000	1,665
Insurance recoveries	-	-
Lease revenue	-	-
Net cash provided by (used in) noncapital financing activities	13,000	1,665
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal payments on long-term debt	-	-
Interest paid on long-term debt	-	(1,765)
Proceeds from advances from other funds	-	-
Payments on advances from other funds	-	(82,408)
Proceeds from sales of capital assets	-	2,624
Purchase of capital assets	(1,321,645)	(443,635)
Capital grants and contributions	-	-
Net cash provided by (used in) capital and related financing activities	(1,321,645)	(525,184)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and gains (losses) on investments	1,486,676	115,822
Net cash provided by investing activities	1,486,676	115,822
Net increase (decrease) in cash and investments	4,182,625	1,115,647
Cash and investments at beginning of year	31,173,060	2,257,928
Cash and investments at end of year	\$ 35,355,685	\$ 3,373,575
Classified as:		
Current assets	\$ 23,942,447	\$ 3,373,575
Restricted assets	11,413,238	-
Totals	\$ 35,355,685	\$ 3,373,575

The accompanying notes are an integral part of the financial statements.

Enterprise Funds

County Utilities	County Building	Total	Internal Service Funds
\$ 43,024,434	\$ 5,698,605	\$ 74,980,171	\$ 42,560,589
(25,279,720)	(2,413,524)	(46,617,809)	(33,127,959)
(11,983,312)	(3,194,827)	(16,982,768)	(4,994,778)
<u>5,761,402</u>	<u>90,254</u>	<u>11,379,594</u>	<u>4,437,852</u>
593,273	-	593,273	46,489
22,252	-	36,917	-
5,227	-	5,227	5,943
332,483	-	332,483	-
<u>953,235</u>	<u>-</u>	<u>967,900</u>	<u>52,432</u>
(82,782)	(13,781)	(96,563)	(485,482)
-	(629)	(2,394)	(4,839)
-	-	-	(35,000)
-	-	(82,408)	-
61,667	-	64,291	326
(14,808,850)	-	(16,574,130)	(644,441)
3,025,193	-	3,025,193	-
<u>(11,804,772)</u>	<u>(14,410)</u>	<u>(13,666,011)</u>	<u>(1,169,436)</u>
2,818,596	257,160	4,678,254	1,456,389
<u>2,818,596</u>	<u>257,160</u>	<u>4,678,254</u>	<u>1,456,389</u>
(2,271,539)	333,004	3,359,737	4,777,237
80,810,574	6,978,418	121,219,980	37,613,938
<u>\$ 78,539,035</u>	<u>\$ 7,311,422</u>	<u>\$ 124,579,717</u>	<u>\$ 42,391,175</u>
\$ 38,994,907	\$ 7,311,422	\$ 73,622,351	\$ 42,391,175
39,544,128	-	50,957,366	-
<u>\$ 78,539,035</u>	<u>\$ 7,311,422</u>	<u>\$ 124,579,717</u>	<u>\$ 42,391,175</u>

Continued

Indian River County
Board of County Commissioners
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2023

	Enterprise Funds	
	Solid Waste Disposal District	Golf Course
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Operating income (loss)	\$ (38,985)	\$ 1,134,536
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,504,828	288,252
(Increase) decrease in assets:		
Accounts receivable	(40,388)	(577)
Due from other governments	(19,241)	-
Inventories	-	(35,011)
Liens receivable	-	-
Impact fees receivable	-	-
Special assessments receivable	-	-
Leases receivable	-	-
Prepaid items	(2,233)	(1,000)
Decrease (increase) in liabilities:		
Accounts payable	466,921	25,300
Due to other governments	-	2,701
Retainage payable	-	-
Customer deposits	52,500	-
Closure and maintenance costs payable	1,954,954	-
Pollution remediation costs payable	-	-
Net pension liability	95,214	66,288
Deferred inflows of resources related to the net pension liability	838	583
Deferred outflows of resources related to the net pension liability	19,068	13,274
Net OPEB liability	(3,124)	(797)
Deferred inflows of resources related to the net OPEB liability	(5,708)	(1,457)
Deferred outflows of resources related to the net OPEB liability	11,066	2,825
Deferred inflows of resources related to leases	-	-
Unearned revenues	-	21,363
Claims payable	-	-
Accrued compensated absences	8,884	7,064
Total adjustments	4,043,579	388,808
Net cash provided by (used in) operating activities	\$ 4,004,594	\$ 1,523,344
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital grants and contributions	\$ -	\$ -
Capital assets purchased through lease/SBITA	\$ -	\$ -
Capital assets purchased through accounts payable	\$ 2,284,260	\$ 16,802

The accompanying notes are an integral part of the financial statements.

Enterprise Funds			
County Utilities	County Building	Total	Internal Service Funds
\$ (7,774,571)	\$ (157,441)	\$ (6,836,461)	\$ 2,114,032
13,144,717	95,190	15,032,987	1,124,988
(548,901)	-	(589,866)	637,448
3,188,105	-	3,168,864	(27,403)
(1,543,333)	-	(1,578,344)	(78,865)
(330,393)	-	(330,393)	-
(907,347)	-	(907,347)	-
387,404	-	387,404	-
315,817	-	315,817	-
(12,025)	(5,153)	(20,411)	(897,960)
(925,225)	89,541	(343,463)	239,172
295	(5,008)	(2,012)	-
(247,846)	-	(247,846)	-
93,608	-	146,108	-
-	-	1,954,954	-
(3,000)	-	(3,000)	-
1,133,441	297,473	1,592,416	248,519
9,968	2,616	14,005	2,186
226,993	59,575	318,910	49,769
(38,356)	(9,572)	(51,849)	(8,642)
(70,065)	(17,486)	(94,716)	(15,786)
135,852	33,904	183,647	30,608
(332,672)	-	(332,672)	-
1,087	(313,976)	(291,526)	-
-	-	-	995,491
(142,151)	20,591	(105,612)	24,295
13,535,973	247,695	18,216,055	2,323,820
\$ 5,761,402	\$ 90,254	\$ 11,379,594	\$ 4,437,852
\$ 2,446,273	\$ -	\$ 2,446,273	\$ 15,079
\$ 177,677	\$ 162,067	\$ 339,744	\$ 74,038
\$ 543,580	\$ -	\$ 2,844,642	\$ 21,700

Indian River County, Florida
Board of County Commissioners
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2023

	<u>Custodial Fund</u>	<u>Other Postemployment Benefits Trust</u>
ASSETS		
Cash	\$ 1,690,576	\$ 198,236
Investments, at fair value:		
Index funds	-	14,740,537
U.S. government securities funds	-	11,885,296
Money market fund	-	2,976,638
Due from hospitals	1,748,373	-
Total assets	<u>3,438,949</u>	<u>29,800,707</u>
LIABILITIES		
Due to other governments	<u>3,438,949</u>	-
Total liabilities	<u>3,438,949</u>	-
NET POSITION		
Net position restricted for OPEB	-	29,800,707
Total net position	<u>\$ -</u>	<u>\$ 29,800,707</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Board of County Commissioners
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2023

	<u>Custodial Fund</u>	<u>Other Postemployment Benefits Trust</u>
ADDITIONS		
Contributions:		
Hospital contributions	\$ 1,748,373	\$ -
Employer contributions	-	1,005,398
Investment income:		
Net appreciation in fair value of investments	73,357	3,039,826
Less investment expense	-	(1,928)
Net investment income	73,357	3,037,898
Total additions (net of investment loss)	<u>1,821,730</u>	<u>4,043,296</u>
DEDUCTIONS		
Benefit payments	-	3,180,031
Hospital payments due to state	1,821,730	-
Total deductions	<u>1,821,730</u>	<u>3,180,031</u>
Change in net position	-	863,265
Net position - beginning	-	28,937,442
Net position - ending	<u>\$ -</u>	<u>\$ 29,800,707</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Board of County Commissioners (Board) is a County agency and a local governmental entity pursuant to Article VIII, Section 1(e) of the Constitution of the State of Florida. For financial statement and reporting purposes, the Board does not meet the definition of a legally separate organization and is not considered to be a component unit. The Board is considered to be a part of the primary government of Indian River County. The financial statements contained herein represent the financial transactions of the Board only.

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

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the Board) and its component units. However, some component units, because of the closeness of their relationship with the Board, should be blended as though they are part of the Board. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of: (1) the primary government (the Board), (2) organizations for which the Board is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Board is financially accountable if it (a) serves as the governing body of the legally separate organization and there is a financial burden/benefit relationship or management has operational responsibility of the organization, (b) the organization provides almost exclusive service or benefit to the primary government, or (c) total debt of the organization is repayable almost entirely from the resources of the primary government. Based on these criteria, management determined that the Solid Waste Disposal District and the Emergency Services District were the only organizations that should be included in the Board's financial statements as blended component units.

Blended Component Units

Solid Waste Disposal District (SWDD) - Created pursuant to County Ordinance 87-67, the Board of County Commissioners serves as the governing body for and has operational responsibility over the SWDD. The Board also sets the non ad valorem assessment fees for the SWDD. Although legally separate, the SWDD is appropriately blended as a proprietary fund type (enterprise) component unit into the primary government.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A. Reporting Entity - Continued

Blended Component Units - Continued

Emergency Services District (EMS) - Created pursuant to County Ordinance 90-25, the Board of County Commissioners serves as the governing body for and has operational responsibility over the EMS. The Board also sets the millage rate for the EMS. Although legally separate, the EMS is appropriately blended as a governmental fund type (special revenue) component unit into the primary government.

Fiduciary Component Unit

The *Indian River County Other Postemployment Benefits Trust (OPEB Trust)* is a single-employer defined benefit postemployment healthcare trust established and administered by Indian River County to provide healthcare benefits for eligible retirees. The OPEB Trust is included as a fiduciary component unit of the Board because (1) the OPEB Trust is a legally separate entity; (2) the Board of County Commissioners acts as the OPEB Board of Trustees; and (3) the Board makes contributions to the OPEB Trust on behalf of its participants.

B. Fund Financial Statements

The underlying accounting system of the Board 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, liabilities, fund balances, 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 Board's governmental, proprietary, and fiduciary funds are presented. Governmental accounting standards set forth minimum criteria (percentage of the assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. The Statement of Fiduciary Net Position presents assets held by the Board in a custodial capacity for other individuals or organizations.

See Note 17 for more information on the spending hierarchy of fund balances in the fund financial statements.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Fund Financial Statements - Continued

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 45 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the Board.

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 fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Long-term receivables are reported on their balance sheets in spite of their spending measurement focus. Advances to other funds are offset as nonspendable fund balance. See Note 17 for more information on the categories and descriptions of fund balances in the fund financial statements.

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

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Proprietary fund operating revenues, such as charges for services and premiums charged to the Board and employees under various insurance programs, 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. Non-operating revenues, such as subsidies, taxes, and investment earnings result from non-exchange transactions or ancillary activities. Principal operating expenses include salary and benefits, cost of sales and services, claims, and insurance premiums. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Fund Financial Statements - Continued

Fiduciary Funds

The fiduciary financial statements include financial information for the Custodial Fund and the Other Postemployment Benefits Trust Fund. The Custodial Fund of the Board primarily represents assets held by the Board in a custodial capacity for other individuals or governments. The Other Postemployment Benefits Trust Fund (OPEB Trust) accounts for activities of the OPEB Trust, which accumulates resources for health insurance benefit payments for current retirees and for current employees upon their retirement. The Custodial and OPEB Trust Fund statements are presented using the economic resources measurement focus and the accrual basis of accounting.

Governmental Major Funds

General Fund - The General Fund is the general operating fund of the Board. It is used to account for all financial resources, except those accounted for and reported in another fund.

Impact Fees Fund - The Impact Fees Fund accounts for the receipt of various impact fees. Funds are used for the construction of roads and bridges, correctional, public safety, library, park, public building, and solid waste facilities. Funds are also used for administrative expenditures of monitoring the aforementioned activities.

Transportation Fund - The Transportation Fund accounts for expenditures incurred for the maintenance and repair of County roads. Financing is provided by the 5th and 6th cent gas tax, County gas tax and transfers from the General Fund.

Emergency Services District Fund - The Emergency Services District Fund accounts for the expenditures of providing fire protection and advanced life support to the County. Ad valorem taxes are the primary source of revenue.

Coastal Engineering Fund - The Coastal Engineering Fund accounts for the expenditures of funds to preserve and improve County beaches. Funds are provided by the levy of a local tourist development tax.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Fund Financial Statements - Continued

Governmental Major Funds - Continued

American Rescue Plan Fund - The American Rescue Plan Fund accounts for expenditures incurred for recovery from the health and economic impacts from COVID-19. Funding is provided from the American Rescue Plan stimulus package.

Optional Sales Tax Fund - The Optional Sales Tax Fund accounts for revenue generated by the local option one-cent sales tax and some capital grants that use the local option one-cent sales tax as matching funds. Monies are used for various capital projects.

Proprietary Major Funds

Solid Waste Disposal District - The Solid Waste Disposal District Fund accounts for the revenues, expenses, assets, and liabilities associated with the County landfill.

Golf Course Fund - The Golf Course Fund accounts for the revenues, expenses, assets, and liabilities associated with the County golf course.

County Utilities Fund - The County Utilities Fund accounts for the revenues, expenses, assets, and liabilities associated with the County water and sewer system.

County Building Fund - The County Building Fund accounts for revenues, expenses, assets, and liabilities associated with the County building permit and inspection program.

Internal Service Funds

Internal Service Funds account for Fleet Management, Self Insurance, and Information Technology services provided to other departments of the Board on a cost reimbursement basis.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Fund Financial Statements - Continued

Fiduciary Funds

Custodial Fund - The Custodial Fund is used to account for assets that the Board holds for others in a custodial capacity, specifically the local provider participation fund, Florida Agency for Health Care Administration (AHCA), payments due to the state.

Other Postemployment Benefits Trust Fund - The Other Postemployment Benefits Trust Fund (OPEB Trust) accounts for activities of the OPEB Trust, which accumulates resources for health insurance benefit payments for current retirees and for current employees upon their retirement. Contributions are recorded when earned and benefit payments and refunds when incurred within each year.

C. Cash and Investments

Cash reported on the financial statements includes bank deposits, cash on hand, money market accounts, and all highly liquid investments with maturities of ninety days or less when purchased. Investments consist of U.S. Treasury Securities, U.S. Government Agency Securities, the Florida Cooperative Liquid Assets Securities System (FLCLASS) investment pool, the Florida Trust Day to Day Fund (FLTRUST), and the FL Short Term Asset Reserve (FLSTAR). Investments are reported at market value based upon the custodian bank's valuation. The FLCLASS, FLTRUST, and FLSTAR values are measured at the net asset value per share determined by the pool. Refer to Note 3C, Investments, for further information on individual investments.

The Board maintains a cash and investment pool that is available for use by all funds. Earnings for the pooled investments are allocated to the respective funds based on applicable cash participation by each fund. The investment pool is managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts. Therefore, all balances representing participants' equity in the investment pools are classified as cash and investments for financial statement purposes. In addition, longer-term investments are held by several of the Board's funds and are, therefore, reported as current restricted cash and investments on these statements. When restricted and unrestricted resources are available, expenses are paid first from restricted resources.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Allowance for Doubtful Accounts

The Board provides an allowance for water and sewer and ambulance service accounts receivables that may become uncollectible. At September 30, 2023, the allowance for water and sewer was \$831,781 and for ambulance services was \$172,457. No other allowances for doubtful accounts are maintained since other accounts receivable are considered collectible as reported at September 30, 2023.

E. Due from Other Governments

This account represents funds due from state and federal agencies for revenue shares and grant reimbursements. It also includes excess fees due from the County's constitutional officers at September 30, 2023.

F. Inventories

Inventories are valued at cost, which approximates market, using the "first-in, first-out" method of accounting, with the exception of the Golf Course and Fleet Internal Service Fund's inventories which are valued using the average cost method of accounting. Inventories of all funds are recorded as expenditures (expenses) when consumed rather than when purchased.

G. Prepaids and Other Assets

This account represents prepayments for services that will be used in future periods. The Board's policy is to record the expenditure for the services when they are used rather than when the cash is disbursed.

H. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, infrastructure (e.g., roads, bridges, right-of-ways, water and sewer distribution systems, beach restoration, stormwater systems and similar items), and intangible assets (e.g. software, easements, and right-to-use), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The Board defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to October 1, 1981, assets are recorded at historical cost.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

H. Capital Assets - Continued

Roads and bridges constructed prior to October 1, 1981 are reported at estimated historical cost. Donated capital assets, donated works of art, historical treasures and similar assets, as well as capital assets that are received in a service concession arrangement are reported at original acquisition value. Transfers of capital assets within the Board are recorded at their carrying value at the time of the transfer. The costs of normal maintenance and repairs that do not add to the value of the asset nor materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The Board holds legal title to the capital assets used in the operations of the Board, Clerk of the Circuit Court and Comptroller, Property Appraiser, Supervisor of Elections and Tax Collector, and is accountable for them under Florida Law.

Capital assets used by the Board's governmental funds are reported in the financial statements of the County. Capital assets of the Board's enterprise and internal service funds are reported in the Proprietary Funds' financial statements.

Land, buildings and improvements, equipment, intangible, and infrastructure assets of the primary government, as well as the component units, are depreciated, or amortized as in the case of intangible assets, using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	10 - 50
Machinery and equipment	3 - 10
Utility distribution systems	25 - 50
Road and bridge infrastructure	20 - 50
Fiberoptics	20
Software	3 - 5
Beach preservation infrastructure	7
Stormwater infrastructure	30

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

I. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until then.

Deferred inflows of resources, reported on the Balance Sheet for Governmental Funds, are unavailable revenues. The sources of the unavailable revenues are special assessments on road paving, ambulance service billings, investment interest earnings, and state and federal grant revenues.

Both deferred inflows and outflows related to pensions are calculated in accordance with GASB Statement 68, *Accounting and Financial Reporting for Pensions*. These deferred resources appear on the Statement of Fund Net Position for Proprietary Funds. The deferred outflows and inflows are an aggregate of various pension items and will be recognized as adjustments to pension expense or net pension liability in future reporting years. There are also deferred outflows and inflows of items related to Other Postemployment Benefits (OPEB) as calculated in accordance with GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Further information and detail on the composition of these items is discussed in Notes 13 and 14 respectively.

Also reported are deferred inflows related to leases. The amounts are recognized at the inception of leases in which the Board is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease. Refer to Note 15 for additional details regarding leases.

J. Pensions/Net Pension Liability

In the Statement of Fund Net Position for Proprietary Funds, net pension liability represents the Board's proportionate share of the net pension liability of the cost-sharing pension plans in which it participates. This proportionate amount represents a share of the present value of projected benefit payments to be provided through the cost-sharing pension plan to current active and inactive employees.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

J. Pensions/Net Pension Liability - Continued

The benefit payments are attributable to those employees past periods of service, less the amount of the cost-sharing pension plans' fiduciary net position.

The Board participates in both the Florida Retirement System (FRS), which operates a defined benefit and compensation plan, and the Health Insurance Subsidy Program (HIS Program), which is a defined benefit plan.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, pension expense, and fiduciary net position are determined on the same basis as the FRS. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Other Postemployment Benefits Trust Fund (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Board's Retiree Benefits Plan and additions to/deductions from the Board's fiduciary net position have been determined on the same basis as they are reported by the Board. For this purpose, the Board recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments that have a maturity at the time of purchase of one year or less, which are reported at cost.

L. Landfill Closure Costs

Under the terms of current state and federal regulations, the Solid Waste Disposal District (SWDD) is required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of up to thirty years after closure. The SWDD recognizes these costs of closure and post-closure maintenance over the active life of each landfill area, based on landfill capacity used during the period. Required obligations for closure and post-closure costs are recognized in the Solid Waste Disposal District Enterprise Fund.

M. Unearned Revenues

In governmental and proprietary fund financial statements, unearned revenues represent revenues which are available but not earned.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

N. Accrued Compensated Absences

The Board does not report compensated absences in the governmental fund statements since they are not current liabilities payable from available spendable resources. They are reported in the government-wide financial statements of the County. Proprietary fund types accrue compensated absences in the period they are earned.

O. Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the Board must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The Board has no arbitrage liability outstanding as of September 30, 2023.

P. Leases

The Board is a lessee for noncancelable leases of equipment. A lease liability and an intangible right-to-use asset are recognized in the County's government-wide financial statements. The lease liability is initially measured at the present value of the payments expected to be made during the lease term. The lease asset is measured as the initial amount of lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs, and is amortized on a straight-line basis over its useful life.

The Board is a lessor for noncancelable leases of cellular towers and office space. A lease receivable and a deferred inflow of resources are recognized in the County's government-wide financial statements and Proprietary Fund financial statements. The lease receivable is initially measured at the present value of payments expected to be received during the lease term. The lease receivable is then reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for prepaid lease payments received at lease inception. Subsequently, the deferred inflow of resources is recognized over the life of the lease term.

Key estimates and judgments related to leases include the determination of the (1) discount rate, (2) lease term, and (3) lease payments. The Board monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Additional information is provided in Note 15.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Q. Subscription-Based Information Technology Arrangements (SBITA)

The Board has noncancelable subscription-based information technology agreements. A subscription liability and an intangible right-to-use asset are recognized in the County's government-wide financial statements. At the commencement of a subscription, the Board initially measures the subscription liability at the present value of payments expected to be made during the subscription term and the liability is reduced by the principal portion of subsequent subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscriptions include how the Board determines the (1) discount rate, (2) subscription term, and (3) subscription payments. The Board monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Additional information is provided in Note 16.

R. New Accounting Pronouncement

The Board implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. The objective of this Statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for SBITA by governments.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Board uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. The constitutional officers submit, at various times, to the Board and to certain divisions within the Florida Department of Revenue and the Florida Clerks of Court Operations Corporation, a proposed operating budget for the following fiscal year. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the Florida Statutes.
2. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and the Property Appraiser included in the General Fund.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - Continued

3. Constitutional officers, all departments controlled by the Board, and outside state and local agencies submit their proposed budgets to the Office of Management and Budget for assistance, review, and compilation. The County Administrator then reviews all County departments, state agencies, and nonprofit organization's budgets and makes the budget recommendation to the Board.
4. On or before July 15 of each year, the County Administrator and the Director of the Office of Management and Budget, as the Board's designated budget officer, submit to the Board a tentative budget for the ensuing fiscal year. The tentative budget includes proposed expenditures and the means of financing them. The Board then holds workshops to review the tentative budget by fund on a departmental level.
5. During September, public hearings are held pursuant to Section 200.065 of the Florida Statutes in order for the Board to receive public input on the tentative budget. At the end of the last public hearing, the Board enacts resolutions to legally adopt the budgets at the fund level for all governmental and proprietary fund types. The budgets legally adopted by the Board set forth the anticipated revenues by source and the appropriations by function.
6. Formal budgetary integration on an object level is used as a management control device for the governmental and proprietary funds of the Board. Management is authorized to transfer budgeted amounts between objects and departments in any fund as long as management does not exceed the total appropriations of a fund. Board approval to amend the budget is only required when unanticipated revenues are received that management wishes to have appropriated, thereby increasing the total appropriations of a fund.
7. Budgets for the governmental and proprietary fund types are adopted on a basis consistent with generally accepted accounting principles.
8. Appropriations for the Board lapse at the close of the fiscal year.

NOTE 3 - CASH AND INVESTMENTS

The Board maintains a cash and investment pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

A. Deposits

At September 30, 2023, the carrying value of the Board's deposits was \$69,431,671 and the bank balance was \$73,498,604. All the deposits were covered by the FDIC or collateralize in accordance with Chapter 280, Florida Statutes, also known as the "Florida Security for Public Deposits Act".

B. Accrued Interest

Interest earnings on U.S. Treasury Notes and government agency bonds are recorded in the cash and investment pools and then allocated to each fund based on each fund's average monthly balance. As of September 30, 2023, accrued interest for the Board's portfolio totaled \$1,726,762 and was allocated to the funds based on their average monthly balance for September. The remaining accrued interest is reflected in utilities and road paving assessments.

C. Investments

As of September 30, 2023, the Board had the following investments:

Investment Type	Fair Value	Weighted Average Maturity In Years	Investment Portfolio Percentage***	Credit Risks*
Fixed Rate Debt Instruments:				
U.S. Treasuries	\$ 145,063,130	0.99	34.94 %	N/A
U.S. Agencies:**				
Federal Farm Credit Bureau	58,164,900	1.08	14.01	AA+
Federal Home Loan Bank	63,088,870	0.85	15.20	AA+
Federal Home Loan Mortgage	47,469,090	0.79	11.43	AA+
Federal National Mortgage Assoc.	14,654,880	1.37	3.53	AA+
Other Market Rate Investments:				
FLCLASS	38,062,465	0.20	9.17	AAAm
Florida Trust Day to Day Fund	27,507,524	0.11	6.63	AAAm
FLSTAR	21,111,289	0.02	5.09	AAAm
Total Fair Value	<u>\$ 415,122,148</u>		<u>100.00 %</u>	
Weighted Average Maturity of Investments		<u>0.77</u>		

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

C. Investments - Continued

* Ratings based upon Standard and Poor's

** The weighted calculation considers the investments are carried until full maturity (i.e. call dates are not considered).

***Percentages calculated do not include the cash and deposits portion of the total portfolio

Fair Value Measurement

The Board categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset, as determined by the Board's investment advisory's. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Board's fair value measurements for U.S. Treasuries and U.S. Agencies are categorized as Level 2 and are valued by the Board's custodial bank using independent pricing services based on the type of asset. The pricing services may use valuation models or matrix pricing, which consider benchmark yields, reported trades, broker/dealer quotes, benchmark securities, bids or offers, and reference data.

The Board's investments in the Florida Cooperative Liquid Assets Securities Systems (FLCLASS), Florida Trust Day to Day Fund (FLTRUST) and the Florida Short Term Asset Reserve (FLSTAR), external local government investment pools organized under the laws of the State of Florida, are presented at net asset value, which reflects fair value. The objectives of the FLCLASS, FLTRUST and FLSTAR are to generate investment income while maintaining safety and liquidity. There were no unfunded commitments as of September 30, 2023. Investments may be redeemed weekly/daily based on similar investments of other clients.

Interest Rate Risk

The Board's investment policy (last amended on December 15, 2020) limits interest rate risk by attempting to match investment maturities with known cash needs and anticipated cash flow requirements. All investments must have stated maturities of ten (10) years or less and no more than 25% of the portfolio shall be invested in instruments with stated final maturities greater than five (5) years. The portfolio shall have securities with varying maturity and at least 10% of the portfolio shall be invested in readily available funds.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

C. Investments - Continued

Credit Risks

Florida Statutes, Section 218.415 and the Board's investment policy limit investments to the following:

1. Direct obligations of the United States Treasury;
2. Any intergovernmental investment pool, with the exception of SBA pools, authorized pursuant to the Florida Interlock Cooperation Act as provided in Florida Statute 163.01;
3. Florida Local Government Investment Trust Funds;
4. Interest-bearing time deposits or savings in qualified public depositories as defined in Section 280.02, Florida Statutes;
5. Federal agencies and instrumentalities;
6. Securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States Government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian;
7. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
8. Repurchase agreements with a term of one year or less collateralized by direct obligations of the United States Government which have maturities of three (3) years or less and a market value 103% or more of the repurchase amount.

Concentration Risk

The Board's cash and investment policy has established asset allocation and issuer limits to reduce concentration of credit risk in the Board's cash and investment portfolio. The Board's cash and investment policy does not allow for more than 20% of the entire portfolio to be invested in any one issuer, with the exception of United States Treasury Obligations and state authorized pools. No more than 10% of the portfolio may be placed in certificates of deposit and no more than \$6.5 million of the portfolio may be placed in certificates of deposit with any one financial institution. No more than 10% of the entire cash and investment portfolio may be placed in any one money market fund, mutual fund, or intergovernmental investment pool.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

C. Investments - Continued

Custodial Credit Risk

The Board's investment policy pursuant to Section 218.415 (18), Florida Statutes, requires securities to be registered and held with a third party custodian. All securities purchased, as well as all collateral obtained, by the Board shall be held in the name of the Board. The securities must be held in an account separate and apart from the assets of the financial institution. As of September 30, 2023, the Board's investment portfolio in U.S. Treasuries, U.S. Agencies, and money market funds was held by The Bank of New York/Mellon. Additional investments include the FLCLASS which was held by Fifth Third Bank, the FLTRUST which was held by UMB Bank, and FLSTAR which was held by JP Morgan Chase & Co.

D. OPEB Trust

Funds are held in the name of the Indian River County OPEB Trust (OBEB Trust), an irrevocable trust, by a third party custodian, The Bank of New York/Mellon. The contribution for the year ended September 30, 2023 was \$1,005,398. The cash balance in the OPEB Trust at September 30, 2023 was \$198,236. The investments are reported at fair value based upon market-close price on the last business day of each month.

The Board approved a separate investment policy for the OPEB Trust assets on February 3, 2009 (last amended on December 4, 2018). The Board adopted a broadly diversified portfolio composition consisting of equity, debt, and cash and investments. Asset allocations are divided between short term and long term investments. Short term asset allocations include cash and investments with maturities of 180 days or less. Long term asset allocations range from 0-60% for equities, 0-60% for fixed income securities, and 0-100% for cash and investments.

For the fiscal year ended September 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 10.34%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CASH AND INVESTMENTS - Continued

D. OPEB Trust - Continued

As of September 30, 2023, the OPEB Trust had the following investments:

Investment Type	Fair Value	Weighted Average Maturity In Years	Portfolio Percentage
Vanguard 500 Index	\$ 6,622,238	N/A	22.37 %
Vanguard All World Ex-US	5,894,134	N/A	19.91
Vanguard Mid Cap Index	1,479,348	N/A	5.00
Vanguard Small Cap Index	744,817	N/A	2.52
Vanguard Short Term Treasury	8,920,669	3.40	30.13
Vanguard Intermediate Treasury	2,964,627	6.10	10.01
Vanguard Cash Resrv Money Mkt	2,976,638	0.12	10.06
Total Fair Value	<u>\$ 29,602,471</u>		<u>100.00 %</u>

The Board has the following recurring fair value measurements for investments in the OPEB Trust as of September 30, 2023:

	Level 1	Level 2	Level 3	Total
Index Funds	\$ 14,740,537	\$ -	\$ -	\$ 14,740,537
U.S. Government Securities Funds	11,885,296	-	-	11,885,296
Money Market Fund	2,976,638	-	-	2,976,638
Total investments	<u>\$ 29,602,471</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,602,471</u>

Investments classified as Level 1 of the fair value hierarchy are valued using quoted prices in active markets from the Board's custodian bank.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 4 - PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2022-2023 fiscal year were levied in October 2022. All taxes are due and payable on November 1 or as soon as the assessments roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

NOTE 5 - CAPITAL ASSETS

A. Governmental Fund Type Capital Assets

A summary of changes in the governmental fund type capital assets (which includes the capital assets of the Board of County Commissioners, Clerk of Circuit Court and Comptroller, Property Appraiser, Supervisor of Elections and Tax Collector) is as follows:

Capital Assets	Balance 10/01/2022	Additions	Deductions	Transfers	Balance 09/30/2023
Land	\$ 138,461,940	\$ 55,750	\$ (201,494)	\$ -	\$ 138,316,196
Buildings and Improvements	260,136,766	467,563	(343,734)	19,466,231	279,726,826
Equipment	60,197,237	3,596,296	(8,277,292)	386,038	55,902,279
Intangibles	4,888,920	63,606	(177,040)	-	4,775,486
Infrastructure	468,653,520	6,173,474	(477,569)	24,192,895	498,542,320
Construction in Progress	117,167,919	44,025,121	(701,493)	(44,045,164)	116,446,383
Total Capital Assets	<u>1,049,506,302</u>	<u>54,381,810</u>	<u>(10,178,622)</u>	<u>-</u>	<u>1,093,709,490</u>
Lease Assets					
Land	604,295	-	(8)	-	604,287
Buildings and Improvements	297,434	-	(85,918)	-	211,516
Equipment	99,990	107,775	(34,005)	-	173,760
Total Lease Assets	<u>1,001,719</u>	<u>107,775</u>	<u>(119,931)</u>	<u>-</u>	<u>989,563</u>
SBITA Assets*					
Subscription assets	844,802	415,101	-	-	1,259,903
Total	<u>\$ 1,051,352,823</u>	<u>\$ 54,904,686</u>	<u>\$ (10,298,553)</u>	<u>\$ -</u>	<u>\$ 1,095,958,956</u>

*New categories for the Board's SBITA assets have been added due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 5 - CAPITAL ASSETS - Continued

A. Governmental Fund Type Capital Assets - Continued

Depreciation/amortization expense for governmental fund type capital assets is not reported in the financial statements of the Board. Depreciation/amortization expense is reported in the financial statements of the County. Please refer to the County Notes for a more detailed explanation of the County's policy on depreciation and amortization.

In accordance with GASB Statement 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, the Board wrote down the value of the Sector 3 Beach Restoration asset in the amount of \$16,755,477. This impairment was caused by Hurricane Ian and Hurricane Nicole erosion damage that occurred in September and November 2022. The impairment amount is included as a culture and recreation program expense on the Statement of Activities.

B. Proprietary Fund Type Capital Assets

Enterprise Funds

A summary of changes in the enterprise fund type capital assets is as follows:

	Balance 10/01/2022	Additions	Deductions	Transfers	Subtotal	Less: Accumulated Depreciation/ Amortization	Balance 09/30/2023
Land	\$ 26,717,629	\$ -	\$ (33,750)	\$ 21,500	\$ 26,705,379	\$ -	\$ 26,705,379
Buildings and Improv.	501,384,378	2,853,673	(645,533)	1,904,051	505,496,569	(349,703,739)	155,792,830
Equipment	23,218,932	1,693,410	(2,222,791)	12,031,446	34,720,997	(18,264,734)	16,456,263
Intangibles	3,833,247	-	(78,765)	71,795	3,826,277	(1,170,575)	2,655,702
SBITA Assets*	-	339,744	-	-	339,744	(44,766)	294,978
Construction in Progress	28,216,351	15,038,730	-	(14,028,792)	29,226,289	-	29,226,289
Total	<u>\$ 583,370,537</u>	<u>\$ 19,925,557</u>	<u>\$ (2,980,839)</u>	<u>\$ -</u>	<u>\$ 600,315,255</u>	<u>\$ (369,183,814)</u>	<u>\$ 231,131,441</u>

*New categories for the Board's SBITA assets have been added due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 5 - CAPITAL ASSETS - Continued

B. Proprietary Fund Type Capital Assets - Continued

Internal Service Funds

A summary of changes in the internal service fund type capital assets is as follows:

	Balance 10/01/2022	Additions	Deductions	Transfers	Subtotal	Less: Accumulated Depreciation/ Amortization	Balance 09/30/2023
Buildings and Improv.	\$ 59,706	\$ -	\$ (2,837)	\$ -	\$ 56,869	\$ (17,087)	\$ 39,782
Equipment	2,713,192	15,079	(427,282)	333,925	2,634,914	(1,752,823)	882,091
Intangibles	2,563,856	-	(421,663)	-	2,142,193	(1,735,935)	406,258
SBITA Assets*	1,218,759	74,037	-	-	1,292,796	(589,774)	703,022
Construction in Progress	5,482	666,142	-	(333,925)	337,699	-	337,699
Total	<u>\$ 6,560,995</u>	<u>\$ 755,258</u>	<u>\$ (851,782)</u>	<u>\$ -</u>	<u>\$ 6,464,471</u>	<u>\$ (4,095,619)</u>	<u>\$ 2,368,852</u>

*New categories for the Board's SBITA assets have been added due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

NOTE 6 - RESTRICTED CASH AND INVESTMENTS

	Solid Waste Disposal District	County Utilities	Total
Customer deposits	\$ 237,743	\$ 3,746,762	\$ 3,984,505
Capital construction	500,000	35,797,366	36,297,366
Closure and maintenance cost	10,675,495	-	10,675,495
Total	<u>\$ 11,413,238</u>	<u>\$ 39,544,128</u>	<u>\$ 50,957,366</u>

NOTE 7 - INTERFUND BALANCES

Interfund balances at September 30, 2023, consisted of the following:

Receivable Fund	Payable Fund	Amount
General Fund	Coastal Engineering Fund	\$ 4,000,000
General Fund	Nonmajor Governmental Funds	223,000
General Fund	Golf Course Enterprise Fund	20,991
		<u>\$ 4,243,991</u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 7 - INTERFUND BALANCES - Continued

The amounts due from the Coastal Engineering Fund and the Nonmajor Governmental Funds represent short-term cash loans that are expected to be repaid within the next twelve months.

In January 2020, the General Fund loaned \$316,900 to the Golf Course Enterprise fund to purchase new golf carts at an interest rate of 3%. The amount reported as due from the Golf Course Fund is the current portion of the scheduled payments due to the General Fund in fiscal year 2024.

NOTE 8 - INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2023, consisted of the following:

Transfers In:						
	Transportation Fund	Coastal Engineering Fund	Nonmajor Governmental Funds	Utilities Fund	Internal Service Funds	Total
Transfers Out:						
General Fund	\$ 16,120,474	\$ 188,924	\$ -	\$ -	\$ 46,489	\$ 16,355,887
Transportation Fund	-	-	-	218,050	-	218,050
Optional Sales Tax Fund	-	-	372,500	375,223	-	747,723
Nonmajor Governmental Funds	-	373,790	186,895	-	-	560,685
Total	<u>\$ 16,120,474</u>	<u>\$ 562,714</u>	<u>\$ 559,395</u>	<u>\$ 593,273</u>	<u>\$ 46,489</u>	<u>\$ 17,882,345</u>

Transfers are used for the following purposes: 1) use unrestricted general fund revenues to finance transportation activities which are accounted for in a special revenue fund, 2) use unrestricted general fund revenues for beach restoration activities which must be accounted for in another fund, 3) use unrestricted general fund revenues to offset a portion of salaries and benefits expenses for an employee accounted for in the health insurance fund, 4) use unrestricted stormwater revenues to offset Osprey Marsh employee costs accounted for in the utilities fund 5) use capital project fund revenues for improvements to the Jackie Robinson Training Complex and subsidize the North Sebastian Septic to Sewer incentive program, and 6) redistribute tourist tax revenue to nonmajor governmental funds.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 9 - ACCOUNTS PAYABLE

Accounts payable at September 30, 2023, were as follows:

	Vendors	Salaries and Benefits	Total Accounts Payable
<u>Governmental Funds:</u>			
General	\$ 4,680,199	\$ 370,180	\$ 5,050,379
Impact Fees	1,133,959	-	1,133,959
Transportation	210,473	201,925	412,398
Emergency Services	503,254	759,599	1,262,853
Coastal Engineering	174,031	8,823	182,854
American Rescue Plan	1,213,824	1,998	1,215,822
Optional Sales Tax	2,607,174	-	2,607,174
Other Governmental	1,174,367	52,372	1,226,739
Total Governmental Funds	<u>\$ 11,697,281</u>	<u>\$ 1,394,897</u>	<u>\$ 13,092,178</u>
<u>Proprietary Funds:</u>			
Payable from current assets:			
Solid Waste	\$ 4,211,657	\$ 20,994	\$ 4,232,651
Golf Course	68,865	14,287	83,152
Utilities	1,416,230	240,442	1,656,672
Building	275,659	66,274	341,933
Internal Service	2,424,437	52,866	2,477,303
Payable from restricted assets:			
Utilities	148,431	-	148,431
Total Proprietary Funds	<u>\$ 8,545,279</u>	<u>\$ 394,863</u>	<u>\$ 8,940,142</u>

The Board has not engaged in any short-term debt activity during fiscal year 2023 other than that listed in Note 7.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 10 - LONG-TERM LIABILITIES

A. Governmental Funds Long-Term Debt

Changes in Long-Term Liabilities

	Balance October 1, 2022	Additions	Deductions	Balance September 30, 2023	Due Within One Year
Accrued Compensated Absences	\$ 4,850,527	\$ 3,227,563	\$ 3,223,920	\$ 4,854,170	\$ 3,104,887
Leases Payable	600,088	75,948	36,394	639,642	29,475
Subscription-Based Information Technology Arrangements Payable*	79,138	202,341	155,037	126,442	42,892
<u>Bonds Payable:</u>					
Spring Training Facility Revenue Bonds - 2001 Series	3,255,000	-	320,000	2,935,000	340,000
Total	<u>\$ 8,784,753</u>	<u>\$ 3,505,852</u>	<u>\$ 3,735,351</u>	<u>\$ 8,555,254</u>	<u>\$ 3,517,254</u>

*The Board implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA) in the current year. In accordance with the Statement, subscription liabilities have been added to the beginning balance shown above and a corresponding subscription asset has been recorded for the same amount.

Detailed information regarding leases payable and subscription-based information technology arrangements payable can be found in Notes 15 and 16 respectively.

Payments on the Spring Training Facility Revenue Bonds are made by debt service funds (refer to the Table of Contents for these debt service funds under the category: Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances of Nonmajor Governmental Funds).

The long-term liabilities listed above are not reported in the financial statements of the Board since they are not payable from available spendable resources. They are reported in the government-wide financial statements of the County.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 10 - LONG-TERM LIABILITIES - Continued

A. Governmental Funds Long-Term Debt - Continued

Annual Debt Service Payments

The annual debt service payments for bonds outstanding at September 30, 2023, are as follows:

Fiscal Year Ending September 30	Spring Training Facility Revenue Bonds Series 2001	
	Principal	Interest
2024	\$ 340,000	\$ 146,750
2025	355,000	129,750
2026	375,000	112,000
2027	390,000	93,250
2028	410,000	73,750
2029-2031	1,065,000	94,000
Total	2,935,000	\$ 649,500
Less:		
Current portion	340,000	
Total	<u>\$ 2,595,000</u>	

Spring Training Facility Revenue Bonds, Series 2001

Purpose - On August 15, 2001, the Board issued \$16,810,000 of Spring Training Facility Revenue Bonds, Series 2001. The Series 2001 bonds were issued by the Board to provide funds, together with other available funds, to (1) finance a portion of the cost of acquisition and expansion of a spring training facility currently known as the “Jackie Robinson Training Complex”; (2) pay a premium for a municipal bond insurance policy and a debt service reserve account surety bond, and (3) pay certain costs and expenses incurred in connection with the issuance of the Series 2001 bonds.

Pledge of Revenues - The principal and interest on the Series 2001 bonds are payable from and secured by a first lien upon and pledge of the following, together with any investment income realized on any funds held under the Resolution, except the Cost of Issuance Account and the Rebate Fund. Pledged revenues were as follows:

1. Payments received by the Board from the State of Florida pursuant to Section 212.20, Florida Statutes; and

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 10 - LONG-TERM LIABILITIES - Continued

A. Governmental Funds Long-Term Debt - Continued

Spring Training Facility Revenue Bonds, Series 2001 - Continued

2. The Fourth Cent Tourist Development Tax levied by the County in Ordinance No. 2000-029, enacted pursuant to Section 125.0104(3)(1), Florida Statutes; and
3. Eighty-six percent (86%) of the Local Government Half-Cent Sales Tax distributed to the Board, pursuant to Chapter 218, part VI, Florida Statutes.

The foregoing are collectively referred to herein as the “pledged revenues”. The Fourth Cent Tourist Development Tax and the Local Government Half-Cent Sales Tax pledged to the payment of debt service on the Series 2001 bonds were automatically released as pledged revenue for the Series 2001 bonds immediately following the April 1, 2021 principal payment on the Series 2001 bonds.

On February 26, 2019, the Board elected a partial redemption of the bonds outstanding and maturing on 2021 and 2031. The principal amount of the redeemed bonds totaled \$1,125,000. The net economic gain was \$91,579 and will be amortized over the remaining life of the debt. The unamortized balance as of September 30, 2023 is \$58,222 and is reflected as a deferred outflow of resources on the government-wide Statement of Net Position.

The current principal and interest payments of \$474,750 represent 95% of the State subsidy pledged revenue. The total principal and interest remaining to be paid on the bonds is \$3,584,500.

Bonds Issued - At September 30, 2023, Spring Training Facility Revenue Bonds consisted of the following:

Description	Interest Rates and Date	Maturity	Issue	Outstanding at September 30, 2023
Spring Training Facility Revenue Bonds, 2001 Series	3.30%-5.25% 4/1 and 10/1	2031	\$ 16,810,000	<u>\$ 2,935,000</u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 10 - LONG-TERM LIABILITIES - Continued

A. Governmental Funds Long-Term Debt - Continued

Spring Training Facility Revenue Bonds, Series 2001 - Continued

Remaining Mandatory Redemption - The Series 2001 Term Bonds are subject to mandatory redemption prior to maturity, by lot, at par plus accrued interest, according to the following schedule:

Term Bonds due April 1, 2027

<u>Date</u>	<u>Principal Amount</u>
April 1, 2024	\$340,000
April 1, 2025	355,000
April 1, 2026	375,000
April 1, 2027	390,000

Term Bonds due April 1, 2031

<u>Date</u>	<u>Principal Amount</u>
April 1, 2028	\$410,000
April 1, 2029	430,000
April 1, 2030	455,000
April 1, 2031	180,000

B. Proprietary Funds Long-Term Debt

Changes in Long-Term Liabilities

	Balance October 1, 2022	Additions	Deductions	Balance September 30, 2023	Due Within One Year
Accrued Compensated Absences	\$ 1,484,668	\$ 1,047,800	\$ 1,129,117	\$ 1,403,351	\$ 1,047,619
Subscription-Based Information Technology Arrangements Payable*	1,218,759	363,366	582,045	1,000,080	907,625
Total	<u>\$ 2,703,427</u>	<u>\$ 1,411,166</u>	<u>\$ 1,711,162</u>	<u>\$ 2,403,431</u>	<u>\$ 1,955,244</u>

*The Board implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA) in the current year. In accordance with the Statement, subscription liabilities have been added to the beginning balance shown above and a corresponding subscription asset has been recorded for the same amount.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 11 - PROVISION FOR CLOSURE COSTS

Current regulations of the U.S. Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP) require the Solid Waste Disposal District (SWDD) to place a final cover on closed landfill areas, and to maintain those areas for up to thirty years after closure. The SWDD annually obtains updated and revised estimates of total future closure and post-closure costs from its consulting engineers. The SWDD recognizes the expenses associated with the final closure and post-closure maintenance of the landfill areas over the active life of those areas. The provision for closure costs reported in the financial statements as operating expense represents the portion of these estimated future outlays which are allocable to the current year based on the amount of capacity used.

The total unrecognized closure and post-closure costs are approximately \$10.8 million. These costs will be recognized in future periods as the remaining capacity is filled. The Board's policy is to fund 100% of the current year's allocation (based upon the consulting engineers' report) of both closure and post-closure care.

Required closure and post-closure amounts:

	<u>Capacity Used</u>	<u>Estimated Closing</u>	<u>Amount</u>
Class I - Segment III, Cell II	32%	2029	\$ 9,241,141
Construction and Demolition	93%	2028	1,434,354
Total account balance at 9/30/23			<u>\$ 10,675,495</u>

All amounts recognized are based on what it would cost to perform all closure and post-closure functions in current dollars. Actual costs may be different due to inflation, deflation, changes in technology, or changes in laws and regulations. The SWDD is required by FDEP to annually show proof of ability to finance closure and post-closure costs. The SWDD is making annual deposits to a closure and post-closure costs account to provide for the financing of future closure-related expenses. At September 30, 2023, \$10,662,546 was on deposit at the Florida Cooperative Liquid Assets Securities System (FLCLASS) and \$12,949 was on deposit in the Board's operating account.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 11 - PROVISION FOR CLOSURE COSTS - Continued

A summary of changes in the landfill closure liability account is as follows:

	Closure and Long-Term Care Costs
Beginning balance 09/30/22	\$ 8,720,541
05/10/23 closure withdrawal	(672,343)
09/11/23 closure withdrawal	(35,995)
Deposits	2,663,292
Ending balance 09/30/23	<u>\$ 10,675,495</u>

All withdrawals listed above were expenses incurred by the SWDD for closing the landfill as identified in the closure plan. Of the \$10,675,495 liability for closure and long-term care costs, management estimates that \$2,000,000 will be due and payable within one year.

NOTE 12 - POLLUTION REMEDIATION

In accordance with GASB Statement 49, Accounting and Financial Reporting for Pollution Remediation Obligations, a consultant evaluated two sites to assess pollution remediation liabilities. The consultant calculated for each site an expected value estimate for pollution remediation based on three plausible mitigation scenarios. An obligating event occurred at each of the following sites requiring the Board (using the consultant's services) to attempt to accrue a liability for pollution remediation. The liability totaled \$1,180,000 at September 30, 2023 for both sites. Of the \$1,180,000 liability for pollution remediation, management estimates that \$142,000 will be due and payable within one year. The pollution remediation obligation is an estimate and subject to changes resulting from price increases and reductions, technology, and changes in applicable laws or regulations. There are no estimated recoveries that would reduce the liability.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 12 - POLLUTION REMEDIATION - Continued

Governmental Funds

South Gifford Road Closed Landfill - The nature of the pollution remediation obligation is chlorinated solvent contamination. The consultant will conduct monitoring, bioremediation and reporting with the FDEP. The amount of the estimated year end liability is \$1,110,000 and will be paid from the Optional Sales Tax Fund.

The Board does not report the liability for pollution remediation in the governmental fund statements since they are not current liabilities payable from available spendable resources. The liability is reported in the government-wide financial statements of the County.

Total governmental funds liability: \$1,110,000

Proprietary Funds

Premier Citrus Property - The nature of the pollution remediation obligation is above ground storage tank petroleum and/or pesticide and herbicide contamination. The consultant will conduct monitoring, bioremediation and reporting with the FDEP. The amount of the estimated year end liability is \$70,000 and will be paid from the Utilities Operating Fund.

Total proprietary funds liability: \$70,000

NOTE 13 - RETIREMENT PLAN

General Information: All of the Board's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (Pension Plan) and the Retiree Health Insurance Subsidy (HIS Program). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a county, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the web site: www.dms.myflorida.com/workforce_operations/retirement/publications.

Pension Plan

Plan Description: The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

Benefits Provided: Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular Class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life. The benefit is equal to 1.6% of their final average compensation based on the 5 highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits.

Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least 6 years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life equal to 3.0% of their final average compensation based on the 5 highest years of salary for each year of credited service.

Senior Management Service class members who retire at or after age 62 with at least 6 years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the 5 highest years of salary for each year of credited service.

Elected Officers' class members who retire at or after age 62 with at least 6 years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the 5 highest years of salary for each year of credited service.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

Pension Plan - Continued

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to 8 years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk class members. Also, the final average compensation for all these members will be based on the 8 highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan 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 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%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 96 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions: The State of Florida establishes contribution rates for participating employers and employees in section 121.71 Florida Statutes. Effective July 1, 2011, the FRS became a contributory plan for all members, except DROP participants, whereby members contribute 3% and employers pay a rate based upon each member's employment class. Classes and rates in effect at July 1, 2023 were: Regular Class 13.57%, Special Risk 32.67%, Senior Management 34.52%, DROP 21.13%, and Elected Official Class 58.68%. Included in these rates is a health insurance subsidy of 2.00%. Employer contributions to the FRS are based on a percentage of covered payroll that has been actuarially determined as an amount, when combined with the 3% employee contributions, is expected to finance the cost of benefits earned by employers during the year with an additional amount to finance any unfunded accrued liability.

The Board's actuarial contribution to FRS under the Pension Plan for the year ended September 30, 2023, was \$9,744,665. Employee contributions for September 30, 2023 were \$1,356,992. Both employer and employee contributions were equal to 100% of the required contribution.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

Pension Plan - Continued

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to Pension Plan: At September 30, 2023, the Division of Retirement calculated the Board's liability of \$75,517,166 for the FRS plan for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Board's proportionate share of the net pension liability was based on a projection of the Board's long-term share of contributions to the Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the Board's proportionate share was 0.189519% for the FRS Pension Plan. This was a decrease of 0.001597% from its proportionate share measured as of June 30, 2022.

For the year ended September 30, 2023, the Board's calculated total increase of actuarially determined pension expense was \$9,042,073. Of this amount, the Board recognized \$1,229,450 in the enterprise funds and \$191,875 in the internal service funds. In addition, the Board's calculated deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,090,410	\$ -
Changes in assumptions	4,922,835	-
Net difference between projected and actual earnings on pension plan investments	3,153,801	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	768,472	683,946
Board contributions subsequent to the measurement date	2,914,660	-
Total	<u>\$ 18,850,178</u>	<u>\$ 683,946</u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

Pension Plan - Continued

The deferred outflows of resources related to pensions totaling \$2,914,660 resulting from Board contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount Recognized</u>
2024	\$ 2,078,595
2025	(823,529)
2026	12,472,518
2027	1,184,785
2028	339,203
Total	<u>\$ 15,251,572</u>

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

Valuation date:	July 1, 2023
Measurement date:	June 30, 2023
Discount rate:	6.70%
Long-term expected rate of return:	6.70%, net of pension plan investment expense, including inflation
Inflation:	2.40%
Salary increase:	3.25%, including inflation
Mortality:	PUB-2010 base table, projected generationally with Scale MP-2018
Actuarial cost method:	Individual Entry Age

The actuarial assumptions that determined the total pension liability used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

Pension Plan - Continued

There were no changes in actuarial assumptions in 2023.

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate (Property)	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Total	100%			

Assumed inflation-mean	2.4%	1.4%

Discount Rate for Pension Plan: The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Board's contributions will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Pension Plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees if future experience follows assumptions and the actuarially determined contribution is contributed in full each year. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

Pension Plan - Continued

Sensitivity of the Board's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the Pension Plan: The following presents the Board's proportionate share of the Net Pension Liability (NPL) of the Pension Plan calculated using the discount rate of 6.70%. Also presented is what the Board's proportionate share of the FRS plan NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
Board's proportionate share of NPL	\$ 128,998,696	\$ 75,517,166	\$ 30,773,466

Pension Plan Fiduciary Net Position: Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. This report is available by writing to the State of Florida, Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or by email at rep@dms.myflorida.com, or by telephone toll free at (877) 377-1737 or (850) 488-5706. This report identifies statements that were prepared in accordance with generally accepted accounting principles, the measurement focus and basis of accounting, various investment valuations, various pension plan benefits, assumptions used, and many other details.

Retiree Health Insurance Subsidy (HIS Program)

Plan Description: The HIS Program is a cost-sharing, multiple-employer, defined benefit pension plan established to provide a monthly subsidy payment to retired members of any state-administered retirement system. It was established under Section 112.363, Florida Statutes. Benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The HIS Program is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided: For fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS Program payment of \$7.50 for each year of creditable service completed. The payments are at least \$45 but not more than \$225 per month. To be eligible to receive a HIS Program benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

Retiree Health Insurance Subsidy (HIS Program) - Continued

Contributions: The HIS Program 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, 2023, the HIS Program contribution rate was 2.00%. There are no employee contributions required. The Board contributed 100% of its statutorily required contributions for the current and preceding 3 years. HIS Program contributions are deposited in a separate trust fund from which payments are authorized. The Board's actuarial contributions to the HIS Program totaled \$1,050,460 for the fiscal year ended September 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to HIS Program: At September 30, 2023, the Division of Retirement calculated the Board's liability of \$23,387,114 for its proportionate share of the HIS Program's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. At June 30, 2023, the Board's proportionate share was 0.147262% for the HIS Program. This was a decrease of 0.004579% from its proportionate share measured as of June 30, 2022.

For the year ended September 30, 2023, the Board's calculated total actuarially determined pension expense was \$8,359,343. Of this amount, the Board recognized \$1,136,620 in the enterprise funds and \$177,384 in the internal service funds. In addition, the Board's calculated deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 342,372	\$ 54,893
Changes in assumptions	614,840	2,026,572
Net difference between projected and actual earnings on pension plan investments	12,077	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	872,883	448,100
Board contributions subsequent to the measurement date	326,779	-
Total	<u>\$ 2,168,951</u>	<u>\$ 2,529,565</u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

Retiree Health Insurance Subsidy (HIS Program) - Continued

The deferred outflows of resources related to the HIS Program totaling \$326,779 resulting from Board contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to HIS Program will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount Recognized
2024	\$ (120,106)
2025	(72,820)
2026	(121,158)
2027	(237,643)
2028	(125,882)
Thereafter	(9,784)
Total	<u>\$ (687,393)</u>

Actuarial Assumptions: The total pension liability for the HIS Program in the July 1, 2023 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Valuation date:	July 1, 2022
Measurement date:	June 30, 2023
Discount rate:	3.65%
Long-term expected rate of return:	N/A
Municipal bond rate:	3.65%
Inflation:	2.40%
Salary increase:	3.25%, average, including inflation
Mortality:	PUB-2010 base table, projected generationally with Scale MP-2018
Actuarial cost method:	Individual Entry Age

The actuarial assumptions that determined the total HIS Program pension liability used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018. The following changes in actuarial assumptions occurred in 2023:

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

Retiree Health Insurance Subsidy (HIS Program) - Continued

- The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.
- Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefits from \$5 times years of service to \$7.50, with an increased minimum of \$45 and maximum of \$225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

Discount Rate for HIS Program: 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 Program is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Long-Term Expected Rate of Return: As stated above, the HIS Program is essentially funded on a pay-as-you-go basis. As such, there is no assumption for a long-term expected rate of return on a portfolio, no assumptions for cash flows into and out of the Pension Plan, or assumed asset allocation.

Sensitivity of the Board's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the HIS Program: The following presents the Board's proportionate share of the Net Pension Liability (NPL) of the HIS Program calculated using the discount rate of 3.65%. Also presented is what the Board's proportionate share of the HIS Program NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Board's proportionate share of NPL	\$ 26,681,047	\$ 23,387,114	\$ 20,656,665

HIS Program Fiduciary Net Position: Detailed information regarding the HIS Program's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. This report is available by writing to the State of Florida, Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or by email at rep@dms.myflorida.com, or by telephone toll free at (877) 377-1737 or (850) 488-5706.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

FRS Investment Plan

Plan Description: The Board contributes to the Investment Plan, a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the State Board of Administration (SBA), and is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Board employees already participating in DROP are not eligible to participate in this program.

Benefits Provided: Service retirement benefits are based upon the value of the member's account upon retirement. Employers 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.

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. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over his/her account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For fiscal year ended September 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Board.

If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds.

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.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

FRS Investment Plan - Continued

Contributions: Cost of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of .06% of payroll and by forfeited benefits of Investment Plan members. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances to various approved investment choices.

Allocations to the investment member's accounts during the 2022-2023 fiscal year were as follows: Regular class 11.30%, Special Risk class 19.00%, Senior Management Service class 12.67%, and Elected Officers' class 16.34%. This includes the employee contribution of 3%. The Board's Investment Plan contributions and pension expense totaled \$1,716,167 for fiscal year ended September 30, 2023. Employee contributions totaled \$333,417 for the same period.

Other Retirement Plans

The Board established an Internal Revenue Code Section 401(a) defined contribution plan on June 6, 2023 to provide benefits at retirement to employees who have been designated by the FRS as not eligible for renewed membership and are ineligible to participate in the FRS Pension or Investment Plan. Senior Management Service Class employees who hold an eligible position and have completed the necessary form to withdraw from the FRS, will also be enrolled in this plan.

The plan is a single-employer defined contribution plan administered by Lincoln Financial. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. This plan is non-contributory for members. The Board does not hold or administer resources of the plan. Consequently, the Lincoln plan does not meet the requirements for inclusion in the Board's financial statements as a fiduciary fund. The plan does not issue a stand-alone financial report. Plan provisions are established and may be amended only by the Board of County Commissioners.

For eligible employees enrolled in the Lincoln defined contribution plan, the Board shall establish an employer contribution rate equal to the difference between the eligible employee FRS contribution rate for the FRS Investment Plan and the ineligible employee FRS employer contribution rate for the FRS Investment Plan as determined by the FRS annually.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 13 - RETIREMENT PLAN - Continued

Other Retirement Plans - Continued

As of September 30, 2023, the contribution rate for eligible employees was 6.79%, calculated as the difference between the regular class employer rate of 13.57%, and the regular class rehire rate of 6.78%. Employer contributions totaled \$3,630 for fiscal year 2023.

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB)

A. Plan Description

On September 23, 2008, the Board of County Commissioners approved resolution number 2008-163, establishing an irrevocable trust (OPEB Trust) to separately identify assets accumulated to pay OPEB benefits for eligible retirees. The OPEB Trust includes the Board of County Commissioners and the five constitutional officers (Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector). The resolution also established the Board of County Commissioners as trustees of the OPEB Trust and the authority for the trustees to amend the benefit provisions. The OPEB Trust is a single-employer defined benefit plan (OPEB Plan). The OPEB Plan provides an explicit subsidy for the cost of health care for employees hired prior to February 1, 2006 and their eligible dependents according to the provisions of the substantive plan (the plan as understood by the employer and plan members). Employees hired on or after February 1, 2006, will not be eligible for any subsidy, regardless of the years of service or Medicare eligibility.

Active participants as well as retirees are subject to the same benefits and rules. Retired employees are permitted to remain covered under the Board's medical and life insurance plans as long as they pay a premium applicable to the coverage elected. This conforms to the minimum required of Florida governmental employers per Florida Statute 112.0801. The retiree has the option to continue with the Board group health plan or elect a Medicare Advantage Plan.

The implicit rate subsidy applies to health and life insurance coverage since the premiums charged are based upon a blending of younger active employees and older retired employees. Monthly health insurance premiums, effective October 1, 2022, range from \$257 for single coverage Medicare participants to \$1,297.50 for family coverage. Life insurance is available to retirees at a flat rate of \$.75 per \$1,000 of coverage (to a maximum of \$20,000 until the age of 70). After 70, the maximum amount of life insurance is \$10,000.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

A. Plan Description - Continued

The Board subsidizes the cost of the health insurance premiums for each retiree based upon their years of service and employment date (as mentioned above); a 2% discount is given for each year of service based upon the following table:

Hired Before 2/1/2006				Hired On or After 2/1/2006
Retirement Date	Service	Under Age 65	Retiree or Spouse Medicare Eligible***	
Before 1/31/2009**	Less than 15 years	No Subsidy	20% Subsidy*	No Subsidy
	At least 15 years	2% per Year of Service (maximum of 40%)	Additional 20% Subsidy (maximum of 60%)*	
On and After 1/31/2009**	Less than 15 years	No Subsidy	No Subsidy	
	At least 15 years	2% per Year of Service (maximum of 40%)	Subsidy Ceases	

*Additional Subsidy will be paid to Medicare Eligible retirees regardless of which plan they are enrolled in (County's medical plan or Medicare Advantage Plan) and regardless of whether they become Medicare Eligible before or after October 1, 2004.

**Employees who commit by June 1, 2008 to retire before January 31, 2009 will receive subsidy as if retired before June 1, 2008.

***Effective May 1, 2016 and prospectively, subsidy does not cease until both Retiree and Spouse are Medicare eligible.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

A. Plan Description - Continued

The OPEB Trust financial statements are reported using the accrual basis of accounting and are included in the Indian River County Annual Comprehensive Financial Report. Questions regarding the OPEB Plan may be directed to the Chief Deputy Comptroller.

At October 1, 2021, the date of the latest actuarial valuation, plan participation consisted of:

Active participants	1,565
Retired participants	543
	<u>2,108</u>

There are two classes of participants at October 1, 2021:

Regular and senior management	1,357
Special risk	751
	<u>2,108</u>

Financial statements for the OPEB Trust are included in this report and can be found on pages 274-275. A separate, stand-alone financial report is not issued by the Board; however, the OPEB Trust investments can be found in Note 3D.

B. Contributions and Funding Policy

The Board of County Commissioners, in concert with the OPEB Board of Trustees, has the authority to establish and amend the funding policy of the OPEB Plan. The OPEB Trust is advance funded by the Board. For the year ended September 30, 2023, the Board contributed \$1.0 million to the qualifying OPEB Trust. The average employer's contribution was \$628 per employee, approximately 0.93% of current payroll. Plan members receiving benefits contributed \$3.2 million. It is the Board's policy to base future contributions on the annual required contribution (ARC) in subsequent annual actuarial reports. The contributions are paid by the fund(s) by which the participant is employed. Custodial and individual fund administrative fees are paid from the portfolio dividend and interest income.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

C. Net OPEB Liability

The County's Net OPEB liability was measured as of October 1, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. Interim roll-forward reports were completed at the end of the fiscal year. The components of the net OPEB liability of the County at September 30, 2023, were as follows:

Total OPEB liability	\$ 35,132,573
Plan fiduciary net position	<u>(29,800,707)</u>
County's net OPEB liability	<u><u>\$ 5,331,866</u></u>

Plan fiduciary net position as a percentage of the total OPEB liability	84.82%

D. Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of October 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Methods and Assumptions Used to Determine Net OPEB Liability:

Actuarial Cost Method	Entry age normal
Inflation	2.25%
Discount Rate	6.00%
Salary Increases	3.4% to 7.8%, including inflation, varies by plan type and years of service.
Retirement Age	Experience-based table of rates that are specific to the plan and type of eligibility condition.
Mortality	Mortality tables used in the July 1, 2020 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

D. Actuarial Methods and Assumptions - Continued

Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.0% and gradually decreasing to an ultimate trend rate of 3.75% (including the impact of the excise tax).
Aging Factors	Based on the 2013 SOA Study "Health Care Costs-"From Birth to Death".
Expenses	Investment expenses are net of the investment returns; Administrative expenses are included in the per capita health costs.

Other Information:

Notes	Effective July 1, 2023, per Senate Bill 7024, the retirement eligibility for Special Risk members hired on or after July 1, 2011 was lowered to the earlier of: (1) age 55 with 6 years of creditable service, or (2) 25 years of creditable service regardless of age. In addition, the maximum DROP participation period was extended from 5 to 8 years for all eligible for DROP.

E. Changes in the Net OPEB Liability

	Increase(Decrease)		
	Plan		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at 9/30/2022	<u>\$ 34,934,061</u>	<u>\$ 28,937,442</u>	<u>\$ 5,996,619</u>
Changes for the year:			
Service cost	580,560	-	580,560
Interest	2,035,476	-	2,035,476
Changes of benefit terms	762,507	-	762,507
Contributions - employer	-	1,005,398	(1,005,398)
Net investment income	-	3,037,898	(3,037,898)
Benefit payments	(3,180,031)	(3,180,031)	-
Net changes	<u>198,512</u>	<u>863,265</u>	<u>(664,753)</u>
Balances at 9/30/2023	<u><u>\$ 35,132,573</u></u>	<u><u>\$ 29,800,707</u></u>	<u><u>\$ 5,331,866</u></u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

F. Discount Rate

Calculation of the Single Discount Rate

GASB Statement No. 74 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total OPEB Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a municipal bond rate is required, as described in the following paragraph.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on OPEB Plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation the expected rate of return on OPEB Plan investments is 6.00%, the municipal bond rate is 4.63%; and the resulting SDR is 6.00%. The County has adopted a broadly diversified investment portfolio composition consisting of equity, debt, and cash. Asset allocations are divided between short-term and long-term investments. Short-term asset allocations include cash and investments with maturities of 180 days or less. Long-term asset allocations range from 0-60% for equities, 0-60% for fixed income securities, and 0-100% for cash.

The County has a policy of depositing at least the full amount of the Actuarially Determined Contribution developed under the Entry Age Method. Consequently, the plan's fiduciary net position is projected to be sufficient to pay benefits and the resulting SDR is 6.00%.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

G. Sensitivity of Net OPEB Liability

Regarding the sensitivity of the net OPEB liability to changes in the SDR, the following presents the plan's net OPEB liability, calculated using a SDR of 6.00%, as well as what the plan's net OPEB liability would be if it were calculated using a SDR that is 1% lower or 1% higher:

**Sensitivity of Net OPEB Liability
to the Healthcare Cost Trend Rate Assumption**

1% Decrease (5.00%)	Current Single Discount Rate Assumption (6.00%)	1% Increase (7.00%)
\$ 7,797,518	\$ 5,331,866	\$ 3,092,597

Regarding the sensitivity of the net OPEB liability to changes in the healthcare cost trend rates, the following presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher:

**Sensitivity of Net OPEB Liability
to the Healthcare Cost Trend Rate Assumption**

1% Decrease (5.0% down to 2.75%)	Current Healthcare Cost Trend Rate Assumption (6.0% down to 3.75%)	1% Increase (7.0% down to 4.75%)
\$ 2,275,609	\$ 5,331,866	\$ 8,867,365

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB) - Continued

H. OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the Board recognized OPEB expense of \$1,480,807. At September 30, 2023, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB 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	\$ 2,585,971	\$ -
Changes in assumptions and other inputs	1,106,480	5,131,624
Net difference between projected and actual earnings on OPEB Plan investments	1,687,203	-
	<u>\$ 5,379,654</u>	<u>\$ 5,131,624</u>

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

<u>Year Ending September 30</u>	<u>Net Deferred Outflows of Resources</u>
2024	\$ (371,216)
2025	(231,383)
2026	243,426
2027	(26,252)
2028	247,126
Thereafter	386,329
Total	<u>\$ 248,030</u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15 - LEASES

A. Lessee - Governmental Funds

The Board is involved in multiple agreements as a lessee that qualify as long-term leases agreements. Below is a summary of the nature of those agreements. These agreements qualify as intangible, right-to-use assets and not a financed purchase, as the Board will not own the assets at the end of the contract term and the noncancelable term of the agreements surpass one year.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Airport Land	28 years
Copiers	51-59 months

The assets acquired through the leases are summarized as follows:

Land	\$ 604,287
Equipment	75,948
Less: accumulated amortization	(50,767)
Net book value	<u><u>\$ 629,468</u></u>

The net present value of future minimum payments as of September 30, 2023 were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 29,475	\$ 14,528
2025	30,588	13,415
2026	31,708	12,295
2027	32,879	11,125
2028	21,969	10,139
2029-2033	88,783	45,033
2034-2038	98,116	35,700
2039-2043	108,431	25,385
2044-2048	119,826	13,990
2049-2051	77,867	2,425
Totals	<u><u>\$ 639,642</u></u>	<u><u>\$ 184,035</u></u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15- LEASES - Continued

A. Lessee - Governmental Funds - Continued

Leases payable activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Leases payable	\$ 600,088	\$ 75,948	\$ (36,394)	\$ 639,642	\$ 29,475

B. Lessor - Governmental Funds

The Board is involved in multiple agreements as lessor that qualify as long-term lease agreements in the governmental funds. Below is a summary of those agreements. These agreements qualify as long-term lease agreements as the Board will not surrender control of the asset at the end of the term and the noncancelable term of the agreements surpass one year. Total governmental funds lease revenue for the year ended September 30, 2023 was \$237,985.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Land	2-23 years
Buildings	1-4 years

Leases receivable activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Leases receivable	\$ 1,449,962	\$ -	\$ (209,766)	\$ 1,240,196

C. Lessor - Proprietary Funds

The Board is involved in multiple agreements as lessor that qualify as long-term lease agreements in the proprietary funds. Below is a summary of those agreements. These agreements qualify as long-term lease agreements as the Board will not surrender control of the asset at the end of the term and the noncancelable term of the agreements surpass one year. Total proprietary funds lease revenue for the year ended September 30, 2023 was \$332,483.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 15- LEASES - Continued

C. Lessor - Proprietary Funds - Continued

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Land	2 - 9 years

Leases receivable activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Leases receivable	\$ 1,260,576	\$ -	\$ (315,817)	\$ 944,759

The Board is involved in an agreement for leasing of the snack bar at the golf course. The monthly rent is calculated as a percentage of monthly sales. Total lease revenue, for this lease only, for the year ended September 30, 2023 was \$50,579. The current agreement will end on March 31, 2025 if not renewed before then.

NOTE 16- SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

Governmental Funds

The Board is involved in several agreements that meet the requirements of long-term subscription-based information technology arrangements (SBITA). These agreements qualify as intangible, right-to-use assets as the Board has the control of the right to use another party's information technology software and the noncancelable term of the agreements surpass one year. Below is a summary of the agreements:

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Software	10-51 months

The assets acquired through the SBITA are summarized as follows:

Subscription assets	\$ 281,479
Less: accumulated amortization	(72,294)
Net book value	<u><u>\$ 209,185</u></u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

**NOTE 16- SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS
(SBITA)-Continued**

Governmental Funds - Continued

The net present value of future minimum payments as of September 30, 2023, were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 42,892	\$ 8,007
2025	45,667	5,232
2026	18,391	2,269
2027	19,492	1,167
Total	<u>\$ 126,442</u>	<u>\$ 16,675</u>

SBITA liability activity for the year ended September 30, 2023 was as follows:

	<u>Beginning Balance*</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
SBITA liability	<u>\$ 79,138</u>	<u>\$ 202,341</u>	<u>\$ (155,037)</u>	<u>\$ 126,442</u>	<u>\$ 42,892</u>

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Software	21-25 months

The assets acquired through the SBITA are summarized as follows:

Subscription assets	\$ 339,744
Less: accumulated amortization	(44,766)
Net book value	<u><u>\$ 294,978</u></u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 16- SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) - Continued

Proprietary Funds

A. Enterprise Funds

The net present value of future minimum payments as of September 30, 2023, were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 100,310	\$ 9,053
2025	92,455	4,016
	<u>\$ 192,765</u>	<u>\$ 13,069</u>

SBITA liability activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
SBITA liability	\$ -	\$ 289,328	\$ (96,563)	\$ 192,765	\$ 100,310

B. Internal Service Funds

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Software	13-16 months

The assets acquired through the SBITA are summarized as follows:

Subscription assets	\$ 1,292,797
Less: accumulated amortization	(589,774)
Net book value	<u><u>\$ 703,023</u></u>

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 16- SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) - Continued

B. Internal Service Funds - Continued

The net present value of future minimum payments as of September 30, 2023, were as follows:

Year Ended	Principal	Interest
2024	\$ 807,315	\$ 14,067

SBITA liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance*	Additions	Deductions	Ending Balance	Due Within One Year
SBITA liability	\$ 1,218,759	\$ 74,038	\$ (485,482)	\$ 807,315	\$ 807,315

*The Board implemented the provisions of GASB Statement No. 96, *Subscription Based Information Technology Arrangements* in the current year. In accordance with the Statement, subscription liabilities have been added to the beginning balances shown above and a corresponding subscription asset has been recorded for the same amount.

NOTE 17 - FUND BALANCE

GASB Statement 54 - Fund Balance Reporting and Governmental Funds Type Definitions requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

A. Categories

There are five categories of fund balance for governmental funds under GASB Statement 54:

Nonspendable - Amounts that cannot be spent because they are not in spendable form or are legally or contractually required to remain intact.

Restricted - Use of these resources is based on the constraints imposed externally by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 17 - FUND BALANCE - Continued

A. Categories - Continued

Committed - Amounts whose use is constrained by the approval of a Board ordinance by the Board of County Commissioners. This category also includes existing resources on hand to satisfy the obligations that arise from contractual obligations entered into by the Board of County Commissioners.

Assigned - The Board of County Commissioners is the governing body authorized to assign fund balance amounts to be used for specific purposes. This assignment is done through the budget approval and amendment process. Amounts appropriated to eliminate a budgetary deficit in a subsequent year are reported in this category as well.

Unassigned - Residual amounts in the general fund that do not meet any of the other fund balance classifications.

B. Fund Balance Policy

On September 21, 2010, the Board approved a Fund Balance and Reserve Policy that set forth the following reserves of fund balance in the General, Transportation, and Emergency Services District Funds:

Emergency/Disaster Relief Reserve - A balance of no less than 5% of budgeted operating expenditures for the current fiscal year will be reserved only for the purpose of responding to natural and man-made disasters. Disasters include hurricanes, tropical storms, floods, wildfires, or terrorist activities. These funds can only be used to respond and provide relief after such a disaster. Funds will be replenished over a five-year period after the completion of the recovery from the disaster.

Budget Stabilization Reserve - A balance of no less than 5% of budgeted operating expenditures for the current fiscal year will be reserved only for the purpose of revenue declines or unfunded mandates from the state and federal governments. Funds utilized due to revenue declines will be replenished over a five-year period. Funds utilized for unfunded mandates or unanticipated expenditures cannot be used for more than a three-year period and must be replenished within five-years after the three-year period.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 17 - FUND BALANCE - Continued

B. Fund Balance Policy - Continued

At September 30, 2023, reserve amounts for those funds were:

	Disaster Relief	Budget Stabilization	Total
General Fund	\$ 8,850,000	\$ 8,850,000	\$ 17,700,000
Transportation Fund	1,150,000	1,150,000	2,300,000
Emergency Services District Fund	2,900,000	2,900,000	5,800,000
Total	<u>\$ 12,900,000</u>	<u>\$ 12,900,000</u>	<u>\$ 25,800,000</u>

The General Fund reserves are included in the unassigned fund balance on the balance sheet. The Transportation Fund reserves are included in the assigned fund balance and the Emergency Services District Fund reserves are included in the restricted fund balance on the balance sheet. The Emergency/Disaster Relief and Budget Stabilization Reserve amounts may only be revised by the Board of County Commissioners.

Minimum Fund Balance - The approved fund balance policy dictates the Board's attempt to maintain a minimum unassigned fund balance in the General, Transportation, and Emergency Services District funds of 20% of budgeted annual operating expenditures. The minimum fund balance level may be revised by the County Administrator or his designee.

C. Spending Hierarchy

For all governmental funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

D. Fund Balance Deficit

At September 30, 2023, the Coastal Engineering Fund, a major Governmental Fund, had a deficit in fund balance of \$4,067,329. The Federal/State Grants Fund and the Metropolitan Planning Organization Fund, both nonmajor Governmental Funds, had a deficit in fund balance of \$2,320 and \$343,342 respectively. These fund balance deficits should be eliminated by grant proceeds in fiscal year 2024.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 18 - RISK MANAGEMENT

General Liability, Property, Worker's Compensation and Medical

The Board is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors or omissions, injuries to employees, and natural disasters. The Board established a Self Insurance Fund (an internal service fund) to account for and finance its uninsured risk of loss. Under this program, the Self Insurance Fund provides coverage up to the retention amounts listed below:

	10/01/2022 to 9/30/2023	10/01/2020 to 9/30/2022	10/01/2018 to 9/30/2020
Worker's Compensation	\$ 850,000	\$ 650,000	\$ 650,000
General Liability	200,000	200,000	200,000
Auto Liability	200,000	200,000	200,000
Property Damage	100,000	100,000	200,000
Error or Omissions	200,000	200,000	200,000
Annual Aggregate	4,000,000	4,000,000	2,000,000

The annual aggregate reported is for general liability, auto liability, and errors or omissions. All departments of the Board participate in the program. Payments are made by various funds to the Self Insurance Fund based on past experience and actual estimates of the amounts needed to pay current year claims. The Board purchases excess insurance to cover claims in excess of the amounts listed above. There is a 5% deductible per location for property damages arising due to a hurricane under the reinsurance policy.

The Board is also self-insured for medical claims covering employees and their eligible dependents. As required by Section 112.081, Florida Statutes, retirees and their eligible dependents are provided the same health care coverage as is offered to active employees; however, the retirees are responsible for payment of the premiums. Medical claims are paid from premiums contributed by employees, retirees, and by the Board. Premiums and contributions are determined by projected claims based on historical and actuarial experience. The self-insurance medical plan assumes all risk for claims, other than worker's compensation, up to \$300,000 per occurrence. The Board has purchased a reinsurance policy to cover claims in excess of these limits.

The claims liability of \$11,356,724 reported at September 30, 2023, is based on the requirements of generally accepted governmental accounting standards, which require that a liability for claims be reported if information is available prior to the issuance of the financial statements, and the amount of the loss, can be reasonably estimated. Estimates for claims incurred but not reported are actuarially determined and recorded.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 18 - RISK MANAGEMENT - Continued

General Liability, Property, Worker's Compensation and Medical - Continued

Based on the actuary's report, \$3,934,000 will be liquidated over the next twelve months. Changes in the fund's claims liability amount during the current and prior three fiscal years are as follows:

	Balance at Fiscal Year Beginning	Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2019-2020	\$ 8,254,000	\$ 23,627,530	\$ (23,937,530)	\$ 7,944,000
2020-2021	7,944,000	29,700,049	(28,234,444)	9,409,605
2021-2022	9,409,605	23,325,116	(22,373,488)	10,361,233
2022-2023	10,361,233	25,276,610	(24,281,119)	11,356,724

Included in the charges to other funds is an amount to fund future catastrophic losses not actuarially determined; and at September 30, 2023, unrestricted net position of \$28,524,412 has been designated for this purpose.

NOTE 19 - COMMITMENTS AND CONTINGENCIES

A. Litigation

Various suits and claims are currently pending against the Board. It is impossible for the Board to accurately quantify the exposure involved given the jury's latitude in assessing compensatory and punitive damages, and the court's latitude in awarding attorney's fees. The Board intends to vigorously defend against these lawsuits and believes it has a good chance of prevailing on their merits. The Board is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of management and based on the advice of legal counsel, the ultimate disposition of lawsuits will not have a material adverse effect on the financial position of the Board.

B. Contracts and Other Commitments

The Board has various contracts and commitments outstanding at September 30, 2023. In the General Fund, contracts are for janitorial services, beach park landscape and custodial maintenance, legislative consulting services and external auditing services. In the Special Revenue Funds, contracts include resurfacing from 53rd Street to the Merrill Barber Bridge, 11th Drive and 37th Street roadway and intersection improvements, 6th Avenue resurfacing from US Highway 1 to 21st Street, as well as a variety of other road paving and drainage projects.

Indian River County, Florida
Board of County Commissioners
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 19 - COMMITMENTS AND CONTINGENCIES - Continued

B. Contracts and Other Commitments - Continued

In the Capital Projects Fund, contracts are for 66th Avenue widening from 69th Street to 85th Street, several conservation area improvements as well as sidewalk and other road improvement projects throughout the County. In the Enterprise Funds, contracts are for construction of a new golf course clubhouse and golf course maintenance, South County Water Treatment Plant improvements, North County and West Wabasso septic to sewer conversions, and various other water and sewer projects. In the Internal Service Funds, contracts are for benefit administration services, GIS aerial imagery and website redesign and content management system. A summary of these projects is as follows:

	Total Contract Price	Total Paid as of September 30, 2023	Remaining Balance at September 30, 2023
General	\$ 2,539,416	\$ (1,143,958)	\$ 1,395,458
Special Revenue	31,811,627	(20,600,815)	11,210,812
Capital Projects	90,658,231	(53,402,466)	37,255,765
Enterprise	35,644,006	(17,744,479)	17,899,527
Internal Service	625,505	(194,885)	430,620
Total	<u>\$ 161,278,785</u>	<u>\$ (93,086,603)</u>	<u>\$ 68,192,182</u>

C. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Board. In the opinion of management, any such adjustments would not be significant.

D. Opioid Settlements

The State of Florida has reached settlements totaling more than \$3 billion with manufacturers, distributors, and dispensers of opioids. These settlement funds will be distributed over an eighteen year term and allocated by the State to local governments throughout the State. During fiscal year 2023, the Board received \$139,604 in opioid settlement funds. These funds are recorded in the Opioid Settlements special revenue fund. Based on current State of Florida estimates, the Board will receive an additional \$2.1 million over the next seventeen years. This amount has been recorded as a receivable in the special revenue fund. Additional settlement funds not yet allocated may arise in the future based on the results of continued litigation.

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

March 8, 2024

The Honorable Board of County Commissioners
Indian River 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 statements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the fund financial statements of each major fund and the aggregate remaining fund information of the **Indian River County, Florida Board of County Commissioners** (the "Board"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Board's fund financial statements and have issued our report thereon dated March 8, 2024.

Return on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board'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 Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

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

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



Return on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free of 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 Board'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.

Rehmann Lohman LLC

MANAGEMENT LETTER

March 8, 2024

The Honorable Board of County Commissioners
Indian River County, Florida

Report on the Financial Statements

We have audited the financial statements of each major fund and the aggregate remaining fund information of the **Indian River County, Florida Board of County Commissioners** (the “Board”), as of and for the year ended September 30, 2023, and have issued our report thereon dated , 2024.

Auditors’ Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor’s 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, which are dated March 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations 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. This information is disclosed in the notes to the financial statements.

Financial Management

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

Purpose of this Letter

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

A handwritten signature in black ink that reads "Rehmann Lohorn LLC". The signature is written in a cursive, flowing style.

INDEPENDENT ACCOUNTANTS' REPORT

March 8, 2024

The Honorable Board of County Commissioners
Indian River County, Florida

We have examined the compliance of **Indian River County, Florida Board of County Commissioners** ("the Board") with Sections 218.415, 365.172(10), and 365.173(2)(d) Florida Statutes, during the year ended September 30, 2023.

Management's Responsibility

Management is responsible for compliance with those requirements.

Independent Accountants' Responsibility

Our responsibility is to express an opinion on the Board's compliance with those 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 Board is in compliance with specified requirements established by Florida Statute and performing such procedures as we considered necessary in the circumstances.

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 Board's compliance with specified requirements.

Opinion

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

Purpose of this Report

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

Rehmann Lobson LLC





CLERK OF THE CIRCUIT COURT AND COMPTROLLER

INDEPENDENT AUDITORS' REPORT

March 8, 2024

The Honorable Ryan L. Butler
Clerk of the Circuit Court and Comptroller
Indian River County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying fund financial statements of the major fund and the remaining fund information of the ***Indian River County, Florida Clerk of the Circuit Court and Comptroller*** (the "Clerk"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's fund financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund, and the aggregate remaining fund information of the Clerk, as of September 30, 2023, and the respective changes in financial position, and the budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Reporting Entity

As discussed in Note 1, the financial statements referred to above present only the ***Indian River County, Florida Clerk of the Circuit Court and Comptroller*** and do not purport to, and do not, present fairly the financial position of Indian River County, Florida as of September 30, 2023, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditors' Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2024, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

A handwritten signature in black ink that reads "Lehmann Lobson LLC". The script is cursive and fluid, with the letters connected. The "L" at the beginning is large and loops around. The "LLC" at the end is written in a slightly more upright, but still cursive, style.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Balance Sheet
Governmental Funds
September 30, 2023

	General	Nonmajor Fund Special Revenue	Total Governmental Funds
ASSETS			
Cash	\$ 1,183,896	\$ 894,229	\$ 2,078,125
Accounts receivable	5,725	22,154	27,879
Prepaid items	64,268	97,116	161,384
Due from other governments	141,012	-	141,012
Total assets	<u>\$ 1,394,901</u>	<u>\$ 1,013,499</u>	<u>\$ 2,408,400</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 259,007	\$ 71,063	\$ 330,070
Due to other governments	667,247	421	667,668
Other deposits	144,338	11,931	156,269
Unearned revenues	324,309	-	324,309
Total liabilities	<u>1,394,901</u>	<u>83,415</u>	<u>1,478,316</u>
Fund Balances:			
Nonspendable:			
Prepaid items	64,268	97,116	161,384
Restricted for:			
Court-related costs and improvements	-	832,968	832,968
Unassigned	(64,268)	-	(64,268)
Total fund balances	<u>-</u>	<u>930,084</u>	<u>930,084</u>
Total liabilities and fund balances	<u>\$ 1,394,901</u>	<u>\$ 1,013,499</u>	<u>\$ 2,408,400</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2023

	<u>General</u>	<u>Nonmajor Fund Special Revenue</u>	<u>Total Governmental Funds</u>
REVENUES			
Intergovernmental	\$ 311,688	\$ -	\$ 311,688
Charges for services	3,430,084	422,161	3,852,245
Judgments, fines and forfeits	972,254	-	972,254
Interest	192,461	16,718	209,179
Miscellaneous	86,027	167,781	253,808
Total revenues	<u>4,992,514</u>	<u>606,660</u>	<u>5,599,174</u>
EXPENDITURES			
Current:			
General government	2,287,921	640,999	2,928,920
Court related	3,802,834	26,809	3,829,643
Debt Service:			
Principal	3,544	136,346	139,890
Interest and fiscal charges	2,078	3,782	5,860
Total expenditures	<u>6,096,377</u>	<u>807,936</u>	<u>6,904,313</u>
Excess of revenues over (under) expenditures	<u>(1,103,863)</u>	<u>(201,276)</u>	<u>(1,305,139)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from Board of County Commissioners	1,387,025	-	1,387,025
Transfers to Board of County Commissioners	(283,162)	-	(283,162)
SBITA financings	-	18,243	18,243
Total other financing sources (uses)	<u>1,103,863</u>	<u>18,243</u>	<u>1,122,106</u>
Net change in fund balances	-	(183,033)	(183,033)
Fund balances at beginning of year	<u>-</u>	<u>1,113,117</u>	<u>1,113,117</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 930,084</u>	<u>\$ 930,084</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2023

	Budgeted Amount			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ 248,975	\$ 211,532	\$ 311,688	\$ 100,156
Charges for services	3,711,170	3,711,170	3,430,084	(281,086)
Judgments, fines and forfeits	1,000,000	1,000,000	972,254	(27,746)
Interest	6,303	6,303	192,461	186,158
Miscellaneous	121,426	121,426	86,027	(35,399)
Total revenues	5,087,874	5,050,431	4,992,514	(57,917)
EXPENDITURES				
Current:				
General government	2,885,696	2,878,372	2,287,921	590,451
Court related	3,589,203	3,553,914	3,802,834	(248,920)
Debt Service:				
Principal	-	3,225	3,544	(319)
Interest and fiscal charges	-	1,945	2,078	(133)
Total expenditures	6,474,899	6,437,456	6,096,377	341,079
Excess of revenues over (under) expenditures	(1,387,025)	(1,387,025)	(1,103,863)	283,162
OTHER FINANCING SOURCES (USES)				
Transfers from Board of County Commissioners	1,387,025	1,387,025	1,387,025	-
Transfers to Board of County Commissioners	-	-	(283,162)	(283,162)
Total other financing sources (uses)	1,387,025	1,387,025	1,103,863	(283,162)
Net change in fund balances	\$ -	\$ -	-	\$ -
Fund balances at beginning of year			-	
Fund balances at end of year			\$ -	

The accompanying notes are an integral part of the financial statements.

**Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Statement of Fiduciary Net Position
Custodial Fund
September 30, 2023**

ASSETS

Cash	\$ 10,045,271
Total assets	<u>10,045,271</u>

LIABILITIES

Accounts payable	863,753
Due to other governments	<u>785,367</u>
Total liabilities	<u>1,649,120</u>

NET POSITION

Restricted for individuals, organizations, and other governments	<u>8,396,151</u>
Total net position	<u><u>\$ 8,396,151</u></u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Year Ended September 30, 2023

ADDITIONS

Tax deed collections	\$ 1,474,638
Court ordered collections	10,840,824
Court fines for other governments	<u>37,475,424</u>
Total additions	<u><u>49,790,886</u></u>

DEDUCTIONS

Tax deed sale payments	1,461,080
Court ordered payments	13,408,463
Beneficiary payments	<u>37,476,143</u>
Total deductions	<u><u>52,345,686</u></u>

Change in net position	(2,554,800)
Net position, beginning of year	<u>10,950,951</u>
Net position, end of year	<u><u>\$ 8,396,151</u></u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Clerk of the Circuit Court and Comptroller (Clerk) is a County agency and a local governmental entity pursuant to Article VIII, Section 1(d) of the Constitution of the State of Florida. For financial statement and reporting purposes, the Clerk does not meet the definition of a legally separate organization and is not considered to be a component unit. The Clerk is considered to be a part of the primary government of Indian River County.

Court-related expenditures are funded through filing fees, service charges, court costs and fines assessed to parties using the court system. Under 2013-44, Laws of Florida, revenue collected by the Clerk is retained by the County and remitted to the Florida Department of Revenue based upon various formulas determined by Florida Clerks of Court Operations Corporation. Non-court expenditures are funded by the Board of County Commissioners for both the finance and recording (board meeting recordings) departments. Additional non-court revenues include various fees assessed for the recording of documents, passports, marriage licenses and court reporter services. Both court and non-court operations are reported in these financial statements.

The financial statements contained herein represent the financial transactions of the Clerk of the Circuit Court and Comptroller only. The format of the Clerk's statements has been prepared in accordance with the presentation requirements of GASB 34 for fund financial statements.

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

A. Description of Funds

For reporting purposes, the accounting records are organized into the following two fund types: governmental funds and a fiduciary fund.

Governmental Funds

General Fund - The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general (both court and non-court) operations of the Clerk which are not accounted for in another fund. All financial resources, which are not accounted for and reported in another fund, are recorded in the General Fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A. Description of Funds - Continued

Special Revenue Fund - The Special Revenue Fund accounts for the proceeds from recording fees to be used for modernizing the Clerk's public records systems, subsidizing court-related operational needs and program enhancements, and adding access to public records (by charging a computer usage fee).

Fiduciary Fund

Custodial Fund - The Custodial Fund is used to account for assets held by the Clerk in a trustee capacity or as an agent. These funds cannot be used to support the Clerk's own programs.

B. Basis of Accounting, Measurement Focus and Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Expenditures are recorded at the time liabilities are incurred. Revenues are recorded when received or when they are considered both measurable and available. The Clerk only considers revenue to be available if collected within the current fiscal year, except for Title IV-D grant revenue. This grant revenue is subject to accrual and has been recognized as revenue of the current fiscal period. Revenues collected in excess of expenditures are not considered earned and are reflected as liabilities. The fiduciary fund is reported using the economic resources measurement focus and the accrual basis of accounting.

C. Budgetary Requirements

State statutes require the Clerk to prepare the budget in two parts: the budget relating to the State court system and the budget relating to the requirements of the Clerk as Clerk to the Board of County Commissioners, County auditor, and custodian of all County funds and other County-related duties. The budget relating to the State court system is prepared by the Clerk and submitted to the Florida Clerks of Court Operations Corporation (CCOC) by June 1 of each year (for consolidation to the Florida Legislative Budget Commission by August 1). The budget relating to the requirements of the Clerk as Clerk to the Board of County Commissioners is prepared prior to May 1 and is reviewed, modified if required, and approved by the Board by October 1. Both budgets are adopted on a basis consistent with generally accepted accounting principles.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Budgetary Requirements - Continued

The budget legally adopted by the Clerk must be balanced; that is, the total of estimated receipts, including funding from the Board, shall equal the total estimated expenditures. Management is authorized to transfer budgeted amounts between objects and departments in any fund as long as management does not exceed the total appropriations of a fund.

D. Cash

Cash reported on the financial statements includes bank deposits, cash on hand, certificates of deposit, money market accounts, and all highly liquid investments with maturities of ninety days or less when purchased.

E. Prepaid Items

This account represents prepayments for services that will be used in future periods. The Clerk's policy is to record the expenditure for the services when they are used rather than when the cash is disbursed.

F. Capital Assets

Acquisitions of capital assets are recorded as expenditures at the time of purchase for governmental fund financial statements. Tangible personal property used by the Clerk in operations is reported in the financial statements of the County. Refer to the County-wide note on capital assets for capitalization threshold, depreciation and amortization methodology and useful lives.

G. Leases

The Clerk is a lessee for noncancellable leases of equipment. A lease liability and an intangible right-to-use lease asset are recognized in the County's government-wide financial statements. The lease liability is initially measured at the present value of the payments expected to be made during the lease term. The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs, and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include the determination of the (1) discount rate, (2) lease term, and (3) lease payments.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

G. Leases - Continued

The Clerk monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Additional information is provided in Note 7.

H. Subscription-Based Information Technology Arrangements (SBITA)

The Clerk has noncancellable subscription based information technology arrangements. A subscription liability and an intangible right-to-use asset are recognized in the County's government wide financial statements. At the commencement of a subscription, the Clerk initially measures the subscription liability at the present value of the payments expected to be made during the subscription term and the liability is reduced by the principal portion of subsequent subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs and is amortized on a straight line basis over its useful life. Key estimates and judgments related to subscriptions include how the Clerk determines the (1) discount rate, (2) subscription term, and (3) subscription payments. The Clerk monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and subscription liability. Additional information is provided in Note 8.

I. Compensated Absences

The Clerk accrues a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Clerk does not, nor is legally required to, accumulate expendable, available financial resources to liquidate this obligation. Accordingly, the liability for compensated absences is not reported in the Clerk's financial statements. Additional information on the liability is reflected in Note 6.

J. Transfer In

The non-court operations (comptroller function and board meeting recordings) were funded by the Board of County Commissioners in the amount of \$1,387,025.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

K. Transfer Out

In accordance with Florida Statutes, all non-court-related revenues in excess of expenditures as of year-end are owed to the Board of County Commissioners before November 1. A total of \$283,162 of excess fees was returned to the Board. This transfer is included in the amount reported as Due to Other Governments on the balance sheet

L. Fund Balance

GASB Statement 54 - *Fund Balance Reporting and Governmental Funds Type Definitions* requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Categories for fund balance are as follows: nonspendable, restricted, committed, assigned, and unassigned. For more information, see the County-wide note on fund balance.

M. New Accounting Pronouncement

The Clerk implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. The objective of this Statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for SBITA by governments.

NOTE 2 - CASH

A. Deposits

At September 30, 2023, the carrying value of the Clerk's deposits was \$12,123,396 and the bank balance was \$12,462,380. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer in accordance with Section 280.01, Florida Statutes, also known as the Florida Security for Public Deposits Act.

The Clerk's office follows the above state law (governing custodial credit risk) for cash deposits. Refer to the County-wide note on cash and investments for the definition of custodial credit risk.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 2 - CASH - Continued

B. Deposit and Investment Policies

The Clerk adopted a cash and investment policy on April 25, 2013 with the intent to match investment maturities with known cash needs and anticipated cash flow requirements. The policy was last updated on December 3, 2020.

Interest Rate Risk

The Clerk's cash and investment policy includes the following limits:

- All final maturities are three years or less,
- At least 50% of the portfolio shall be invested in readily available funds.

Concentration Risk

The following limits on portfolio composition are outlined in the Clerk's investment policy:

- No more than 10% or \$1 million of the total portfolio may be placed in certificates of deposit with a Qualified Public Depository with any one financial institution,
- No more than 40% of the portfolio may be placed in any money market fund or intergovernmental investment pool.

Custodial Credit Risk

The Clerk's cash and investment policy pursuant to 218.415, Florida Statutes, requires securities to be held in the name of the Clerk and separately identified from the assets of the financial institution. All cash and money market accounts are listed under the name of the Indian River County Clerk of Circuit Court and Comptroller.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 2 - CASH - Continued

B. Deposit and Investment Policies - Continued

Credit Risk

Authorized investments are subject to the restrictions imposed by Section 218.145 of the Florida Statutes and are limited to the following securities:

- Florida Local Government Investment Trust Funds (Florida Trust),
- State of Florida Local Government Surplus Funds Trust Funds, for existing fund only,
- Interest-bearing time deposits or savings accounts in qualified public depositories (as defined in Section 280.02, F.S.),
- Money market funds registered with the Securities and Exchange Commission (with the highest quality rating from a nationally recognized rating agency),
- Derivatives are prohibited.

NOTE 3 - PENSION PLAN

Florida Retirement System

Plan Description: The Clerk's employees participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer public employee retirement system, administered by the Florida Department of Management Services (DMS). Benefit provisions are established and may be amended by state statute. A financial report is available from the DMS website at www.dms.myflorida.com or by mail at Florida Division of Retirement, PO Box 9000, Tallahassee, FL 32315-9000.

Effective July 1, 2011, the FRS became a contributory plan for all members, except DROP participants, whereby members contribute 3% and employers pay a rate based upon each member's employment class. Classes and rates in effect at July 1, 2023 were: regular class 13.57%, senior management class 34.52%, DROP class 21.13%, and elected official class 58.68%. Included in these rates is a health insurance subsidy of 2.00%.

Employees elect participation in either the defined benefit plan (Pension Plan) or the defined contribution plan (Investment Plan). If the employee enrolled in the FRS Pension Plan prior to July 1, 2011, normal retirement is age 62 with 6 years of service or 30 years of service, regardless of age. If the employee enrolled in the FRS Pension Plan on or after July 1, 2011, normal retirement is age 65 with 8 years of service or 33 years of service, regardless of age.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - PENSION PLAN - Continued

Florida Retirement System - Continued

Under the Pension Plan, early retirement is available before reaching normal retirement age and will be subject to an early-retirement reduction of 5% for each year your age at retirement is under your normal retirement age. For those employees who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs after one year of service. Participants have access to the full value of their vested account balance when they leave FRS employment, regardless of age. These participants receive a defined contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration.

Benefits Provided: Retirement benefits are determined by age, years of service, the average of the highest 5 or 8 fiscal years of pay, membership class and the payment option selected at retirement. For further information concerning the FRS and contribution rates, please read the County-wide note on pension plans.

Contributions: Employer contributions to the FRS are based on a percentage of covered payroll that has been actuarially determined as an amount, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability.

For the year ended September 30, 2023, the Clerk's actuarial contribution to FRS under the Pension Plan was \$470,447 and the Health Insurance Subsidy (HIS Program) was \$70,430. Employee contributions for both plans were \$104,039. Both employer and employee contributions were equal to 100% of the required contribution for each year.

Pension Liabilities: At September 30, 2023, the Division of Retirement calculated the Clerk's liability of \$3,774,871 for the FRS plan and \$1,613,712 for the HIS Program, for a total of \$5,388,583 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Clerk's proportionate share of the net pension liability was based on a projection of the Clerk's long-term share of contributions to the Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2023, the Clerk's proportion was .009473% for the FRS Pension Plan and .010161% for the HIS Program.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - PENSION PLAN - Continued

Florida Retirement System - Continued

Discount Rate for Pension Plan: The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Clerk's contributions will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plans' 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.

Sensitivity of the Clerk's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the Pension Plan: The following presents the Clerk's proportionate share of the net pension liability (NPL) of the Pension Plan calculated using the discount rate of 6.70%. Also presented is what the Clerk's proportionate share of the FRS plan NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	<u>1% Decrease (5.70%)</u>	<u>Current Discount Rate (6.70%)</u>	<u>1% Increase (7.70%)</u>
Clerk's proportionate share of NPL	\$ 6,448,248	\$ 3,774,871	\$ 1,538,271

Discount rate for the HIS Program: In general, the discount rate for calculating the 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 Program is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - PENSION PLAN - Continued

Florida Retirement System - Continued

Sensitivity of the Clerk's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the HIS Program: The following presents the Clerk's proportionate share of the NPL of the HIS Program calculated using the discount rate of 3.65%. Also presented is what the Clerk's proportionate share of the HIS Program NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	<u>1% Decrease (2.65%)</u>	<u>Current Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
Clerk's proportionate share of NPL	\$ 1,840,994	\$ 1,613,712	\$ 1,425,311

Refer to the County-wide note for actuarial assumptions (including the investment rate of return), pension liability on financial statements, and an explanation of pension expense components. The pension liability is not reported in the financial statements of the Clerk since they are not payable from available spendable resources. It is reported in the financial statements of the County by the fund which normally pays the personnel service costs of the employee.

NOTE 4 - OTHER POSTEMPLOYMENT BENEFITS

The Clerk participated in the Indian River County Other Postemployment Benefits Trust (OPEB Trust). The Clerk's 2023 annual contribution of \$30,184 was funded by: the Board of County Commissioners in the amount of \$6,331; non-court operations in the amount of \$3,418; court operations in the amount of \$18,083 and special revenue funds in the amount of \$2,352. This contribution was considered part of a total contribution determined by the OPEB Trust actuary. Further information on the OPEB Trust can be found in the County-wide financial statements and in the County notes.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 5 - RISK MANAGEMENT

Indian River County maintains a risk management program that provides for coverage of risks of loss related to torts, theft of, damage to and destruction of assets, errors or omissions, injuries to employees, natural disasters, and medical and life insurance coverage for employees and their eligible dependents. Various excess catastrophe insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the Self Insurance Fund. The Clerk participated in the County's self-insurance program during the fiscal year at an annual cost of \$714,122. Further details of this self-insurance program are discussed in the County-wide financial statements and County-wide note on risk management.

NOTE 6 - LONG-TERM LIABILITIES

Changes in Long-Term Liabilities

The following is a schedule of changes in long-term liabilities as of September 30, 2023:

	Beginning Balance 10/01/22	Additions	Deletions	Ending Balance 9/30/23
Accrued Compensated Absences	<u>\$ 299,885</u>	<u>\$ 368,652</u>	<u>\$ 391,084</u>	<u>\$ 277,453</u>

Of the \$277,453 liability for accrued compensated absences, management estimates that \$40,000 will be due and payable within one year. The long-term liabilities are not reported in the financial statements of the Clerk since they are not payable from available spendable resources. They are reported in the financial statements of the County by the fund which normally pays the personnel service costs of the employee.

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 7 - LEASES

The Clerk is involved in agreements as a lessee that meet the requirements of long-term lease agreements. These agreements qualify as intangible, right-to-use assets and not a financed purchase, as the Clerk will not own the asset at the end of the contract term and the noncancelable term of the agreement surpasses one year. Below is a summary of the agreements.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Copiers	42-47 months
Mail Machine	45 months

The assets acquired through the lease are summarized as follows:

Equipment	\$ 52,759
Less accumulated amortization	<u>(13,774)</u>
Net book value	<u><u>\$ 38,985</u></u>

The net present value of future minimum payments as of September 30, 2023, were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 9,747	\$ 2,753
2025	10,504	1,996
2026	11,322	1,176
2027	8,533	302
Total	<u><u>\$ 40,106</u></u>	<u><u>\$ 6,227</u></u>

Leases payable activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Leases payable	<u><u>\$ 49,747</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (9,641)</u></u>	<u><u>\$ 40,106</u></u>	<u><u>\$ 9,747</u></u>

Indian River County, Florida
Clerk of the Circuit Court and Comptroller
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 8 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The Clerk is involved in several agreements that meet the requirements of long-term subscription-based information technology arrangements (SBITA). These agreements qualify as intangible, right-to-use assets as the Clerk has the control of the right to use another party's information technology software and the noncancelable term of the agreements surpass one year. Below is a summary of the agreements.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Software	18-33 months

The assets acquired through the SBITA are summarized as follows:

Subscription assets	\$ 187,795
Less: accumulated amortization	(68,357)
Net book value	<u><u>\$ 119,438</u></u>

The net present value of future minimum payments as of September 30, 2023, were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 56,919	\$ 611
Total	<u><u>\$ 56,919</u></u>	<u><u>\$ 611</u></u>

SBITA liability activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance*</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
SBITA liability	<u>\$ 169,552</u>	<u>\$ 18,243</u>	<u>\$ (130,876)</u>	<u>\$ 56,919</u>	<u>\$ 56,919</u>

*The Clerk implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* in the current year. In accordance with the Statement, subscription liabilities have been added to the beginning balances shown above and a corresponding subscription asset has been recorded for the same amount.

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

March 8, 2024

The Honorable Ryan L. Butler
Clerk of the Circuit Court and Comptroller
Indian River Clerk, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the major fund and the remaining fund information of the **Indian River County, Florida Clerk of the Circuit Court and Comptroller** (the "Clerk"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's fund financial statements and have issued our report thereon dated March 8, 2024.

Report on Internal Control over Financial Reporting

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

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

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free of 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Rehmann Lohman LLC". The signature is written in a cursive, flowing style.

MANAGEMENT LETTER

March 8, 2024

The Honorable Ryan L. Butler
Clerk of the Circuit Court and Comptroller
Indian River County, Florida

Report on the Financial Statements

We have audited the fund financial statements of the major fund and the remaining fund information of the **Indian River County, Florida Clerk of the Circuit Court and Comptroller** (the “Clerk”), as of and for the year ended September 30, 2023, which collectively comprise the Clerk’s fund financial statements and have issued our report thereon dated March 8, 2024.

Auditors’ Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the 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 March 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations 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. This information is disclosed in the notes to the financial statements.



Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Rehmann Lohman LLC

INDEPENDENT ACCOUNTANTS' REPORT

March 8, 2024

The Honorable Ryan L. Butler
Clerk of the Circuit Court and Comptroller
Indian River County, Florida

We have examined the compliance of ***Indian River County, Florida Clerk of the Circuit Court and Comptroller*** ("the Clerk") with Sections 218.415, 28.35, 28.36, and 61.181 Florida Statutes, during the year ended September 30, 2023.

Management's Responsibility

Management is responsible for compliance with those requirements.

Independent Accountants' Responsibility

Our responsibility is to express an opinion on the Clerk's compliance with those 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 is in compliance with specified requirements established by Florida Statute and performing such procedures as we considered necessary in the circumstances.

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 specified requirements.

Opinion

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

Purpose of this Report

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

Rehmann Loborn LLC





PROPERTY APPRAISER

INDEPENDENT AUDITORS' REPORT

March 8, 2024

The Honorable Wesley Davis
Property Appraiser
Indian River County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying fund financial statements of the major fund of the **Indian River County, Florida Property Appraiser** (the "Property Appraiser"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's fund financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund, of the Property Appraiser, as of September 30, 2023, and the respective changes in financial position, and the budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Reporting Entity

As discussed in Note 1, the financial statements referred to above present only the Indian River County, Florida Property Appraiser and do not purport to, and do not, present fairly the financial position of Indian River County, Florida as of September 30, 2023, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Property Appraiser and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Property Appraiser's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditors' Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2024, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Lehmann Lohman LLC". The signature is written in a cursive, flowing style.

**Indian River County, Florida
Property Appraiser
Balance Sheet
General Fund
September 30, 2023**

ASSETS

Cash	\$ 525,711
Prepaid items	64,365
Total assets	<u>\$ 590,076</u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable	\$ 54,529
Due to other governments	535,547
Total liabilities	<u>590,076</u>

Fund Balances:

Nonspendable:

Prepaid items	64,365
Unassigned	<u>(64,365)</u>
Total fund balances	<u>-</u>

Total liabilities and fund balances	<u>\$ 590,076</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Property Appraiser
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2023

	Budgeted Amount		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 4,641,174	\$ 4,684,547	\$ 4,684,707	\$ 160
Interest	-	-	3,561	3,561
Miscellaneous	-	-	7,012	7,012
Total revenues	<u>4,641,174</u>	<u>4,684,547</u>	<u>4,695,280</u>	<u>10,733</u>
EXPENDITURES				
Current:				
General government	4,641,174	4,684,547	4,334,735	349,812
Debt Service:				
Principal	-	-	14,300	(14,300)
Interest and fiscal charges	-	-	771	(771)
Total expenditures	<u>4,641,174</u>	<u>4,684,547</u>	<u>4,349,806</u>	<u>334,741</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>345,474</u>	<u>345,474</u>
OTHER FINANCING SOURCES (USES)				
Lease financings	-	-	31,827	31,827
SBITA financings	-	-	113,937	113,937
Transfers to Board of County Commissioners	<u>-</u>	<u>-</u>	<u>(491,238)</u>	<u>(491,238)</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>(345,474)</u>	<u>(345,474)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances at beginning of year			<u>-</u>	
Fund balances at end of year			<u>\$ -</u>	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Property Appraiser is a County agency and a local governmental entity pursuant to Article VIII, Section 1(d) of the Constitution of the State of Florida. For financial statement and reporting purposes, the Property Appraiser does not meet the definition of a legally separate organization and is not considered to be a component unit. The Property Appraiser is considered to be a part of the primary government of Indian River County. The financial statements contained herein represent the financial transactions of the Property Appraiser only. The format of the Property Appraiser's statements has been prepared in accordance with the presentation requirements of GASB 34 for fund financial statements.

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

A. Description of Funds

For reporting purposes, the accounting records are organized on the basis of governmental funds.

Governmental Fund

General Fund - The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general operations of the Property Appraiser. All financial resources, which are not accounted for and reported in another fund, are recorded in the General Fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

B. Basis of Accounting, Measurement Focus and Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Expenditures are recorded at the time liabilities are incurred. Revenues are recorded when received or when they are considered both measurable and available. Revenues collected in excess of expenditures are not considered earned and are reflected as liabilities.

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Budgetary Requirements

State statutes require the Property Appraiser to prepare an annual budget, which clearly reflects the revenues available to his office and the functions for which money is to be expended. The budgeted revenues and expenditures are subject to the review and approval of the Department of Revenue. Management is authorized to transfer budgeted amounts between objects and departments as long as management does not exceed the total appropriations of a fund. Department of Revenue approval is only required when unanticipated revenues are received that management wishes to have appropriated, thereby increasing the total appropriations. The budget is prepared on a basis consistent with generally accepted accounting principles.

D. Capital Assets

Acquisitions of equipment are recorded as expenditures at the time of purchase for governmental fund financial statements. Tangible personal property used by the Property Appraiser in operations is reported in the financial statements of the County. Refer to the County-wide note on capital assets for capitalization threshold, depreciation methodology and useful lives.

E. Leases

The Property Appraiser is a lessee for a noncancellable lease of equipment. A lease liability and an intangible right-to-use asset are recognized in the County's government-wide financial statements. The lease liability is initially measured at the present value of the payments expected to be made during the lease term. The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs, and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include the determination of the (1) discount rate, (2) lease term, and (3) lease payments. The Property Appraiser monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Additional information is provided in Note 7.

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F. Subscription-Based Information Technology Arrangements (SBITA)

The Property Appraiser has noncancellable subscription-based information technology arrangements. A subscription liability and an intangible right-to-use asset are recognized in the County's government-wide financial statements. At the commencement of a subscription, the Property Appraiser initially measures the subscription liability at the present value of payments expected to be made during the subscription term and the liability is reduced by the principal portion of subsequent subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscriptions include the determination of the (1) discount rate, (2) subscription term and (3) subscription payments. The Property Appraiser monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Additional information is provided in Note 8.

G. Compensated Absences

The Property Appraiser accrues a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Property Appraiser does not, nor is legally required to, accumulate expendable available financial resources to liquidate this obligation. Accordingly, the liability for compensated absences is not reported in the Property Appraiser's financial statements. Additional information on the liability is reflected in subsequent Note 6.

H. Transfer Out

In accordance with Florida Statutes, all revenues in excess of expenditures as of year-end are owed to the Board of County Commissioners and other governments. These "excess fees" totaled \$535,547 at September 30, 2023, and are included as due to other governments on the balance sheet. Of this amount, \$491,238 was owed to the Board of County Commissioners and is reported as Transfers to Board of County Commissioners on the Statement of Revenues, Expenditures and Changes in Fund Balances.

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

I. Fund Balance

GASB Statement 54 - *Fund Balance Reporting and Governmental Funds Type Definitions* requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Categories for fund balance are as follows: nonspendable, restricted, committed, assigned, and unassigned. For more information, see the County-wide note on fund balance.

J. New Accounting Pronouncement

The Property Appraiser implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. The objective of this Statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for SBITA by governments.

NOTE 2 - CASH

Deposits

At September 30, 2023, the carrying amount of the Property Appraiser's deposits was \$525,711 and the bank balance was \$558,463. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer in accordance with Section 280.01, Florida Statutes, also known as the Florida Security for Public Deposits Act. The Property Appraiser adopted the Board of County Commissioners' investment policy. This policy requires the Property Appraiser's office to follow the above state law (governing custodial credit risk) for cash deposits. Refer to the County-wide note on cash and investments for the definition of custodial credit risk.

NOTE 3 - PENSION PLAN

Florida Retirement System

Plan Description: The Property Appraiser's employees participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer public employee retirement system, administered by the Florida Department of Management Services (DMS). Benefit provisions are established and may be amended by state statute. A financial report is available from the DMS website at www.dms.myflorida.com or by mail at Florida Division of Retirement, PO Box 9000, Tallahassee, FL 32315-9000.

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - PENSION PLAN - Continued

Florida Retirement System - Continued

Effective July 1, 2011, the FRS became a contributory plan for all members, except DROP participants, whereby members contribute 3% and employers pay a rate based upon each member's employment class. Classes and rates in effect at July 1, 2023 were: regular class 13.57%, senior management class 34.52%, DROP class 21.13%, and elected official class 58.68%. Included in these rates is a health insurance subsidy of 2.00%.

Employees elect participation in either the defined benefit plan (Pension Plan) or the defined contribution plan (Investment Plan). If the employee enrolled in the FRS prior to July 1, 2011, normal retirement is age 62 with 6 years of service or 30 years of service, regardless of age. If the employee enrolled in the FRS on or after July 1, 2011, normal retirement is age 65 with 8 years of service or 33 years of service, regardless of age.

Under the Pension Plan, early retirement is available before reaching normal retirement age and will be subject to an early-retirement reduction of 5% for each year your age at retirement is under your normal retirement age. For those employees who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs after one year of service. Participants have access to the full value of their vested account balance when they leave FRS employment, regardless of age. These participants receive a defined contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration.

Benefits Provided: Retirement benefits are determined by age, years of service, the average of the highest 5 or 8 fiscal years of pay, membership class and the payment option selected at retirement. For further information concerning the FRS and contribution rates, please read the County-wide note on pension plans.

Contributions: Employer contributions to the FRS are based on a percentage of covered payroll that has been actuarially determined as an amount, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability.

For the year ended September 30, 2023, the Property Appraiser's actuarial contributions to FRS under the Pension Plan were \$336,986 and the Health Insurance Subsidy (HIS Program) were \$41,558. Employee contributions for both plans were \$61,656. Both employer and employee contributions were equal to 100% of the required contribution for each year.

Pension Liabilities: At September 30, 2023, the Division of Retirement calculated the Property Appraiser's liability of \$2,778,850 for the FRS plan and \$958,524 for the HIS

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - PENSION PLAN - Continued

Florida Retirement System - Continued

Program, for a total of \$3,737,374 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Property Appraiser's proportionate share of the net pension liability was based on a projection of the Property Appraiser's long-term share of contributions to the Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2023, the Property Appraiser's proportionate share was .006974% for the FRS Pension Plan and .006036% for the HIS Program.

Discount Rate for Pension Plan: The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Property Appraiser's contributions will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plans' 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.

Sensitivity of the Property Appraiser's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the Pension Plan: The following presents the Property Appraiser's proportionate share of the Net Pension Liability (NPL) of the Pension Plan calculated using the discount rate of 6.70%. Also presented is what the Property Appraiser's proportionate share of the FRS plan NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
Property Appraiser 's proportionate share of NPL	\$ 4,746,841	\$ 2,778,850	\$ 1,132,389

Discount rate for the HIS Program: In general, the discount rate for calculating the 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 Program is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - PENSION PLAN - Continued

Florida Retirement System - Continued

Sensitivity of the Property Appraiser's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the HIS Program: The following presents the Property Appraiser's proportionate share of the NPL of the HIS Program calculated using the discount rate of 3.65%. Also presented is what the Property Appraiser's proportionate share of the HIS Program NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Property Appraiser's proportionate share of NPL	\$ 1,093,527	\$ 958,524	\$ 846,617

Refer to the County-wide note for actuarial assumptions (including the investment rate of return), pension liability on financial statements, and an explanation of pension expense components. The pension liability is not reported in the financial statements of the Property Appraiser since they are not payable from available spendable resources. It is reported in the financial statements of the County by the fund which normally pays the personnel service costs of the employee.

NOTE 4 - OTHER POSTEMPLOYMENT BENEFITS

The Property Appraiser participated in the Indian River County Other Postemployment Benefits Trust (OPEB Trust). The Property Appraiser's 2023 annual contribution of \$15,288 was funded by the Board of County Commissioners as part of a total contribution determined by the OPEB Trust actuary. Further information on the OPEB Trust can be found in the County-wide financial statements and in the County notes.

NOTE 5 - RISK MANAGEMENT

Indian River County maintains a risk management program that provides for coverage of risks of loss related to torts, theft of, damage to and destruction of assets, errors or omissions, injuries to employees, natural disasters, and medical and life insurance coverage for employees and their eligible dependents. Various excess catastrophe insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the Self Insurance Fund. The Property Appraiser participated in the County's self-insurance program during fiscal year 2023 at an annual cost of \$348,552. Further details on the self-insurance program are discussed in the County-wide financial statements and County notes.

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 6 - LONG-TERM LIABILITIES

Changes in Long-Term Liabilities

The following is a schedule of changes in long-term liabilities is as of September 30, 2023:

	Beginning Balance 10/01/22	Additions	Deletions	Ending Balance 9/30/2023
Accrued Compensated Absences	<u>\$ 232,359</u>	<u>\$ 275,018</u>	<u>\$ 247,080</u>	<u>\$ 260,297</u>

Of the \$260,297 liability for accrued compensated absences, management estimates that \$40,000 will be due and payable within one year. The long-term liabilities are not reported in the financial statements of the Property Appraiser since they are not payable from available spendable resources. They are reported in the financial statements of the County.

NOTE 7 - LEASES

The Property Appraiser is involved in an agreement as lessee that meets the requirements of a long-term lease agreement. This agreement qualifies as an intangible, right-to-use asset and not a financed purchase, as the Property Appraiser will not own the asset at the end of the contract term and the noncancellable term of the agreement surpasses one year.

<u>Asset Type</u>	<u>Remaining Term of Agreement</u>
Copiers	52 months

The assets acquired through the lease are summarized as follows:

Equipment	\$ 31,827
Less: accumulated amortization	<u>(4,244)</u>
Net book value	<u><u>\$ 27,583</u></u>

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 7 - LEASES - Continued

The net present value of future minimum payments as of September 30, 2023, were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 5,998	\$ 1,022
2025	6,249	771
2026	6,507	513
2027	6,776	244
2028	2,320	20
Total	<u>\$ 27,850</u>	<u>\$ 2,570</u>

Leases payable activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Leases payable	\$ 5,021	\$ 31,827	\$ (8,998)	\$ 27,850	\$ 5,998

NOTE 8 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The Property Appraiser is involved in several agreements that meet the requirements of long-term subscription-based information technology arrangements (SBITA). These agreements qualify as intangible right-to-use assets as the Property Appraiser has the control of the right to use another party's IT software and the noncancellable term of the agreements surpasses one year. The present values are discounted using a predetermined rate as of the commencement date. Below is a summary of the nature of these agreements:

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Software	24 -35 months

Indian River County, Florida
Property Appraiser
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 8 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) - Continued

The assets acquired through the SBITA are summarized as follows:

Subscription assets	\$ 113,937
Less accumulated amortization	<u>(3,521)</u>
Net book value	<u><u>\$ 110,416</u></u>

The net present value of future minimum payments as of September 30, 2023, were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 26,363	\$ 4,813
2025	52,848	4,828
2026	27,628	950
Total	<u><u>\$ 106,839</u></u>	<u><u>\$ 10,591</u></u>

Subscription liability activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
SBITA liability	<u>\$ -</u>	<u>\$ 113,937</u>	<u>\$ (7,098)</u>	<u>\$ 106,839</u>	<u>\$ 26,363</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

March 8, 2024

The Honorable Wesley Davis
Property Appraiser
Indian River Property Appraiser, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the fund financial statements of the major fund of the **Indian River County, Florida Property Appraiser** (the "Property Appraiser"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's fund financial statements and have issued our report thereon dated March 8, 2024.

Report on Internal Control over Financial Reporting

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

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

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Property Appraiser's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Lehmann Lohman LLC". The signature is written in a cursive, flowing style.

MANAGEMENT LETTER

March 8, 2024

The Honorable Wesley Davis
Property Appraiser
Indian River County, Florida

Report on the Financial Statements

We have audited the fund financial statements of the major fund of the **Indian River County, Florida Property Appraiser** (the "Property Appraiser"), as of and for the year ended September 30, 2023, which collectively comprise the Property Appraiser's fund financial statements and have issued our report thereon dated March 8, 2024.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the 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 March 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations 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. This information is disclosed in the notes to the financial statements.



Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Rehmann Lohman LLC

INDEPENDENT ACCOUNTANTS' REPORT

March 8, 2024

The Honorable Wesley Davis
Property Appraiser
Indian River County, Florida

We have examined the compliance of **Indian River County, Florida Property Appraiser** ("the Property Appraiser") with Sections 218.415 Florida Statutes, during the year ended September 30, 2023.

Management's Responsibility

Management is responsible for compliance with those requirements.

Independent Accountants' Responsibility

Our responsibility is to express an opinion on the Property Appraiser's compliance with those 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 is in compliance with specified requirements established by Florida Statute and performing such procedures as we considered necessary in the circumstances.

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.

Opinion

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

Purpose of this Report

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

Rehmann Lohman LLC





SHERIFF

INDEPENDENT AUDITORS' REPORT

March 8, 2024

The Honorable Eric Flowers
Sheriff
Indian River County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying fund financial statements of the major fund and the remaining fund information of the **Indian River County, Florida Sheriff** (the "Sheriff"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's fund financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund, and the remaining fund information of the Sheriff, as of September 30, 2023, and the respective changes in financial position, and the budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Reporting Entity

As discussed in Note 1, the financial statements referred to above present only the Indian River County, Florida Sheriff and do not purport to, and do not, present fairly the financial position of Indian River County, Florida as of September 30, 2023, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditors' Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2024, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Rehmann Lohman LLC". The signature is written in a cursive, flowing style.

Indian River County, Florida
Sheriff
Balance Sheet
Governmental Funds
September 30, 2023

	<u>General</u>	<u>Nonmajor Fund Special Revenue</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash	\$ 4,002,973	\$ 3,191,029	\$ 7,194,002
Accounts receivable	178,584	408,790	587,374
Inventories	314,385	31,567	345,952
Prepaid items	81,081	-	81,081
Total assets	<u>\$ 4,577,023</u>	<u>\$ 3,631,386</u>	<u>\$ 8,208,409</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 3,288,967	\$ 283,513	\$ 3,572,480
Due to other governments	1,253,209	115,010	1,368,219
Unearned revenues	-	8,985	8,985
Other deposits	34,847	-	34,847
Total liabilities	<u>4,577,023</u>	<u>407,508</u>	<u>4,984,531</u>
Fund Balances:			
Nonspendable:			
Inventories	314,385	31,567	345,952
Prepaid items	81,081	-	81,081
Restricted for:			
Law enforcement/public safety	-	2,918,856	2,918,856
Committed to:			
Law enforcement/public safety	-	37,232	37,232
Assigned to:			
Law enforcement/public safety	-	236,223	236,223
Unassigned	(395,466)	-	(395,466)
Total fund balances	<u>-</u>	<u>3,223,878</u>	<u>3,223,878</u>
Total liabilities and fund balances	<u>\$ 4,577,023</u>	<u>\$ 3,631,386</u>	<u>\$ 8,208,409</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Sheriff
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2023

	<u>General</u>	<u>Nonmajor Fund Special Revenue</u>	<u>Total Governmental Funds</u>
REVENUES			
Intergovernmental	\$ -	\$ 185,544	\$ 185,544
Charges for services	-	375,471	375,471
Judgments, fines and forfeits	-	54,630	54,630
Miscellaneous	177,343	1,888,753	2,066,096
Total revenues	<u>177,343</u>	<u>2,504,398</u>	<u>2,681,741</u>
EXPENDITURES			
Current:			
Public safety	63,735,784	3,109,291	66,845,075
Court related	3,649,173	-	3,649,173
Debt Service:			
Principal	746,268	-	746,268
Interest and fiscal charges	4,073	-	4,073
Total expenditures	<u>68,135,298</u>	<u>3,109,291</u>	<u>71,244,589</u>
Excess of revenues over (under) expenditures	<u>(67,957,955)</u>	<u>(604,893)</u>	<u>(68,562,848)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from Board of County Commissioners	66,659,356	995,890	67,655,246
Transfers to Board of County Commissioners	(1,238,631)	(115,010)	(1,353,641)
Lease financings	21,454	-	21,454
SBITA financings	2,515,776	-	2,515,776
Total other financing sources	<u>67,957,955</u>	<u>880,880</u>	<u>68,838,835</u>
Net change in fund balances	-	275,987	275,987
Fund balances at beginning of year	<u>-</u>	<u>2,947,891</u>	<u>2,947,891</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ 3,223,878</u></u>	<u><u>\$ 3,223,878</u></u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Sheriff
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Miscellaneous	\$ -	\$ 177,343	\$ 177,343	\$ -
Total revenues	-	177,343	177,343	-
EXPENDITURES				
Current:				
Public safety	63,078,072	63,646,150	63,735,784	(89,634)
Court related	3,087,568	3,190,549	3,649,173	(458,624)
Debt Service:				
Principal	-	-	746,268	(746,268)
Interest and fiscal charges	-	-	4,073	(4,073)
Total expenditures	66,165,640	66,836,699	68,135,298	(1,298,599)
Excess of revenues over (under) expenditures	(66,165,640)	(66,659,356)	(67,957,955)	(1,298,599)
OTHER FINANCING SOURCES (USES)				
Transfers from Board of County Commissioners	66,165,640	66,659,356	66,659,356	-
Transfers to Board of County Commissioners	-	-	(1,238,631)	(1,238,631)
Lease financings	-	-	21,454	21,454
SBITA financings	-	-	2,515,776	2,515,776
Total other financing sources	66,165,640	66,659,356	67,957,955	1,298,599
Net change in fund balances	\$ -	\$ -	-	\$ -
Fund balances at beginning of year			-	
Fund balances at end of year			\$ -	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Sheriff is a County agency and a local governmental entity pursuant to Article VIII, Section 1(d) of the Constitution of the State of Florida. For financial statement and reporting purposes, the Sheriff does not meet the definition of a legally separate organization and is not considered to be a component unit. The Sheriff is considered to be a part of the primary government of Indian River County. The financial statements contained herein represent the financial transactions of the Sheriff only. The format of the Sheriff's statements has been prepared in accordance with the presentation requirements of GASB 34 for fund financial statements.

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

A. Description of Funds

For reporting purposes, the accounting records are organized into the following fund type: governmental funds.

Governmental Funds

General Fund - The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general operations of the Sheriff, which are not accounted for in another fund. All financial resources, which are not accounted for and reported in another fund, are recorded in the General Fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

Special Revenue Fund - The Special Revenue Fund accounts for the proceeds of specific revenue sources that are legally restricted, committed or assigned for public safety such as police education, special purpose equipment, jail commissary, and special law enforcement activities.

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Accounting, Measurement Focus and Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Expenditures are recorded at the time liabilities are incurred. Revenues are recorded when received or when they are considered both measurable and available. The Sheriff only considers revenue to be available if collected within the current fiscal year, except for grant revenue. This grant revenue is subject to accrual and has been recognized as revenue of the current fiscal period. Revenues collected in excess of expenditures are not considered earned and are reflected as liabilities. The fiduciary fund is reported using the economic resources measurement focus and the accrual basis of accounting.

C. Budgetary Requirements

State statutes require the Sheriff to submit a proposed budget to the Board of County Commissioners by May 1 of each year. The budget reflects the estimated amounts of all proposed expenditures for operating and equipping the Sheriff's office and jail. Capital improvements for these buildings are funded by the Board. The budget is prepared on a basis consistent with generally accepted accounting principles. After review and approval of the budget by the Board, the Sheriff is authorized to transfer budgeted amounts between objects and departments as long as it does not exceed the total appropriations approved by the Board. Increases in the total budget are subject to the review and approval of the Board. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board of County Commissioners.

D. Compensated Absences

The Sheriff accrues a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Sheriff does not, nor is legally required to, accumulate expendable, available financial resources to liquidate this obligation. Accordingly, the liability for compensated absences is not reported on the Sheriff's financial statements. Additional information on the liability is reflected in subsequent Note 8.

E. Transfer Out

In accordance with Florida Statutes, all general fund revenues in excess of expenditures as of year-end are owed to the Board of County Commissioners. The September 30, 2023 amount totaled \$1,353,641 and was reported as a transfer to the Board of County Commissioners at year end.

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Transfer Out - Continued

This amount represents \$1,238,631 in general fund revenues and \$115,010 in special revenue fund revenues. This transfer is also reported as due to other governments on the balance sheet.

F. Fund Balance

GASB Statement 54 - *Fund Balance Reporting and Governmental Funds Type Definitions* requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Categories for fund balance are as follows: nonspendable, restricted, committed, assigned, and unassigned. For more information, see the County-wide note on fund balance.

G. Leases

The Sheriff is a lessee for noncancellable leases of buildings and equipment. A lease liability and an intangible right-to-use lease asset are recognized in the County's government-wide financial statements.

The lease liability is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs, and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include the determination of the (1) discount rate, (2) lease term, and (3) lease payments. The Sheriff monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

H. Subscription-Based Information Technology Arrangements (SBITA)

The Sheriff has noncancellable subscription-based information technology agreements. A subscription liability and an intangible right-to-use asset are recognized in the County's government-wide financial statements. At the commencement of a subscription, the Sheriff initially measures the subscription liability at the present value of payments expected to be made during the lease term and the liability is reduced by the principal portion of subsequent subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscription include how the Sheriff determines the (1) discount rate, (2) subscription

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

H. Subscription-Based Information Technology Arrangements (SBITA) - Continued

term, and (3) subscription payments. The Sheriff monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Additional information is provided in Note 10.

I. New Accounting Pronouncement

The Sheriff implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. The objective of this Statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for SBITA by governments.

NOTE 2 - CASH

Deposits

At September 30, 2023, the carrying amount of the Sheriff's deposits was \$7,194,002 and the bank balance was \$7,564,669. All deposits with financial institutions were 100% insured federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer in accordance with Section 280.01, Florida Statutes, also known as the Florida Security for Public Deposits Act.

The Sheriff's office has elected not to adopt a formal investment policy and selects the alternative investment guidelines as provided by Florida Statutes 218.415(17). Refer to the County-wide note on cash and investments for the definition of custodial credit risk.

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - CAPITAL ASSETS

Equipment used by the Sheriff in operations is reported in the financial statements of the County. State law requires the Sheriff to account for all tangible and intangible property used by the Sheriff. A summary of changes in capital assets is as follows:

	Beginning Balance 10/01/22	Additions	Deletions	Ending Balance 09/30/23
<u>Capital Assets</u>				
Equipment	\$ 33,021,781	\$ 2,230,521	\$ (6,724,348)	\$ 28,527,954
<u>Lease Assets</u>				
Buildings and Improv.	152,279	21,454	-	173,733
Equipment	76,957	-	-	76,957
Total Lease Assets	<u>229,236</u>	<u>21,454</u>	<u>-</u>	<u>250,690</u>
<u>SBITA Assets*</u>				
Subscription Assets	496,074	2,908,598	-	3,404,672
Total	<u>\$ 33,747,091</u>	<u>\$ 5,160,573</u>	<u>\$ (6,724,348)</u>	<u>\$ 32,183,316</u>

*New categories for the Sheriff's SBITA assets have been added due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

Refer to the County-wide note on capital assets for capitalization threshold, depreciation and amortization methodology and useful lives.

NOTE 4 - INVENTORIES

Inventories are valued at cost, which approximates market, using the "first-in, first-out" method of accounting. The costs of inventory are recorded as an expenditure when consumed rather than when purchased. Inventory of the Sheriff represents law enforcement gear, miscellaneous clothing, and store items.

NOTE 5 - PENSION PLAN

Florida Retirement System

Plan Description: The Sheriff's employees participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer public employee retirement system, administered by the Florida Department of Management Services (DMS). Benefit provisions are established

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 5 - PENSION PLAN - Continued

Florida Retirement System - Continued

and may be amended by state statute. A financial report is available from the DMS website at www.dms.myflorida.com or by mail at Florida Division of Retirement, PO Box 9000, Tallahassee, FL 32315-9000.

Effective July 1, 2011, the FRS became a contributory plan for all members, except DROP participants, whereby members contribute 3% and employers pay a rate based upon each member's employment class. Classes and rates in effect at July 1, 2023 were: regular class 13.57%, special risk 32.67%, senior management class 34.52%, DROP class 21.13%, and elected official class 58.68%. Included in these rates is a health insurance subsidy of 2.00%. Employees elect participation in either the defined benefit plan (Pension Plan) or the defined contribution plan (Investment Plan). If the employee enrolled in the FRS prior to July 1, 2011, normal retirement is age 62 with 6 years of service or 30 years of service, regardless of age. If the employee enrolled in the FRS on or after July 1, 2011, normal retirement is age 65 with 8 years of service or 33 years of service, regardless of age.

Under the Pension Plan, early retirement is available before reaching normal retirement age and will be subject to an early-retirement reduction of 5% for each year your age at retirement is under your normal retirement age. For those employees who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs after one year of service. Participants have access to the full value of their vested account balance when they leave FRS employment, regardless of age. These participants receive a defined contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration.

Benefits Provided: Retirement benefits are determined by age, years of service, the average of the highest 5 or 8 fiscal years of pay, membership class and the payment option selected at retirement. For further information concerning the FRS and contribution rates, please read the County-wide note on pension plans.

Contributions: Employer contributions to the FRS are based on a percentage of covered payroll that has been actuarially determined as an amount, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability.

For the year ended September 30, 2023, the Sheriff's actuarial contributions to FRS under the Pension Plan were \$6,905,605 and the HIS Program were \$589,241. Employee contributions were \$951,801. Both employer and employee contributions were equal to 100% of the required contribution for each year.

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 5 - PENSION PLAN - Continued

Florida Retirement System - Continued

Pension Liabilities: At September 30, 2023, the Division of Retirement calculated the Sheriff's liability of \$56,302,765 for the FRS plan and \$13,893,722 for the HIS Program, for a total of \$70,196,487 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Sheriff's proportionate share of the net pension liability was based on a projection of the Sheriff's long-term share of contributions to the Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2023, the Sheriff's proportionate share was .141298% for the FRS Pension Plan and .087485% for the HIS Program.

Discount Rate for Pension Plan: The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Sheriff's contributions will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Pension Plans' 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.

Sensitivity of the Sheriff's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the Pension Plan: The following presents the Sheriff's proportionate share of the net pension liability (NPL) of the Pension Plan calculated using the discount rate of 6.70%. Also presented is what the Sheriff's proportionate share of the FRS plan NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
Sheriff's proportionate share of NPL	\$ 96,176,587	\$ 56,302,765	\$ 22,943,542

Discount rate for the HIS Program: In general, the discount rate for calculating the 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 Program is essentially funded on a pay-as-you-go basis, the depletion date is considered to

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 5 - PENSION PLAN - Continued

Florida Retirement System - Continued

be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Sheriff's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the HIS Program: The following presents the Sheriff's proportionate share of the NPL of the HIS Program calculated using the discount rate of 3.65%. Also presented is what the Sheriff's proportionate share of the HIS Program NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Sheriff's proportionate share of NPL	\$ 15,850,568	\$ 13,893,722	\$ 12,271,628

Refer to the County-wide note for actuarial assumptions (including the investment rate of return), pension liability on financial statements, and an explanation of pension expense components. The pension liability is not reported in the financial statements of the Sheriff since they are not payable from available spendable resources. It is reported in the financial statements of the County by the fund which normally pays the personnel service costs of the employee.

NOTE 6 - OTHER POSTEMPLOYMENT BENEFITS

The Sheriff participated in the Indian River County Other Postemployment Benefits Trust (OPEB Trust). The Sheriff's 2023 annual contribution of \$424,919 was funded by the Board of County Commissioners as part of a total contribution determined by the OPEB Trust actuary. Further information on the OPEB Trust can be found in the County-wide financial statements and County notes.

NOTE 7 - RISK MANAGEMENT

Indian River County maintains a risk management program that provides for coverage of risks of loss related to torts, theft of, damage to and destruction of assets, errors or omissions, injuries to employees, natural disasters, and medical and life insurance coverage for employees and their eligible dependents. Various excess catastrophe insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the Self Insurance Fund. The Sheriff participated in the County's self-insurance

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 7 - RISK MANAGEMENT - Continued

program during fiscal year 2023 at an annual cost of \$4,720,776. Further details on this self-insurance program are disclosed in the County-wide financial statements and County notes.

NOTE 8 - LONG-TERM LIABILITIES

Changes in Long-Term Liabilities

The following is a schedule of changes in long-term liabilities as of September 30, 2023:

	Beginning Balance 10/01/22	Additions	Deletions	Ending Balance 09/30/23
Accrued Compensated Absences	<u>\$ 10,319,777</u>	<u>\$ 6,079,190</u>	<u>\$ 4,378,185</u>	<u>\$ 12,020,782</u>

Of the \$12,020,782 liability for accrued compensated absences, management estimates that \$4,381,148 will be due and payable within one year. The long-term liabilities are not reported in the financial statements of the Sheriff since they are not payable from available spendable resources. They are reported in the County-wide financial statements and County notes.

NOTE 9 - LEASES

The Sheriff is involved in several lease agreements as lessee that meet the requirements of long-term leases. These agreements qualify as intangible, right-to-use assets and not a financed purchase, as the Sheriff will not own the asset at the end of the contract term and the noncancellable term of the agreement surpasses one year. Below is a summary of the agreements:

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Copiers	26 months
Mail Machine	1 year
Office Space	15 months

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 9 - LEASES - Continued

The assets acquired through the leases are summarized as follows:

Buildings	\$ 173,733
Equipment	76,957
Less accumulated amortization	<u>(180,676)</u>
Net book value	<u>\$ 70,014</u>

The following is a schedule by years of minimum future lease payments to be paid by the Sheriff for noncancellable leases as of September 30:

Year Ended	Principal	Interest
2024	\$ 56,717	\$ 1,108
2025	20,377	202
2026	<u>2,071</u>	<u>5</u>
Total	<u>\$ 79,165</u>	<u>\$ 1,315</u>

Leases payable activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Leases payable	<u>\$ 150,077</u>	<u>\$ 21,454</u>	<u>\$ (92,366)</u>	<u>\$ 79,165</u>	<u>\$ 56,717</u>

NOTE 10 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The Sheriff is involved in several agreements that meet the requirements of long-term SBITA. These agreements qualify as intangible right-to-use assets as the Sheriff has the control of the right to use another party's IT software and the noncancellable term of the agreements surpasses one year. The present values are discounted using a predetermined rate as of the commencement date.

Asset Type	Remaining Term of Agreements
Software	8 - 60 months

Indian River County, Florida
Sheriff
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 10 -SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) - Continued

The assets acquired through the SBITA are summarized as follows:

Subscription assets	\$ 3,404,672
Less accumulated amortization	<u>(641,986)</u>
Net book value	<u>\$ 2,762,686</u>

The net present value of future minimum payments as of September 30, 2023, were as follows:

Year Ended	Principal	Interest
2024	\$ 732,647	\$ 92,601
2025	751,482	73,767
2026	445,506	38,865
2027	209,114	20,022
2028	218,897	10,240
Total	<u>\$ 2,357,646</u>	<u>\$ 235,495</u>

Subscription liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance*	Additions	Deductions	Ending Balance	Due Within One Year
SBITA liability	<u>\$ 496,074</u>	<u>\$ 2,515,776</u>	<u>\$ (654,204)</u>	<u>\$ 2,357,646</u>	<u>\$ 732,647</u>

*The Sheriff implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, in the current year. In accordance with this Statement, subscription liability has been added to the beginning balances shown above and a corresponding SBITA asset has been recorded for the same amount.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Various suits and claims are currently pending against the Sheriff. It is impossible for the Sheriff to accurately quantify the exposure involved given the jury's latitude in assessing compensatory and punitive damages, and the court's latitude in awarding attorney's fees. The Sheriff intends to vigorously defend against these lawsuits and believes he has a good chance of prevailing on their merits. In the opinion of management and based on the advice of legal counsel, the ultimate disposition of these lawsuits will not have a material adverse effect on the financial position of the Sheriff.

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

March 8, 2024

The Honorable Eric Flowers
Sheriff
Indian River 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 statements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the fund financial statements of the major fund and the remaining fund information of the **Indian River County, Florida Sheriff** (the "Sheriff"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's fund financial statements and have issued our report thereon dated March 8, 2024.

Report on Internal Control over Financial Reporting

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

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

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free of 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 Sheriff'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.

Rehmann Lohman LLC

MANAGEMENT LETTER

March 8, 2024

The Honorable Eric Flowers
Sheriff
Indian River County, Florida

Report on the Financial Statements

We have audited the fund financial statements of the major fund and the remaining fund information of the **Indian River County, Florida Sheriff** (the "Sheriff"), as of and for the year ended September 30, 2023, which collectively comprise the Sheriff's fund financial statements and have issued our report thereon dated March 8, 2024.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the 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 March 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations 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. This information is disclosed in the notes to the financial statements.



Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Rehmann Lohman LLC

SUPERVISOR OF ELECTIONS

INDEPENDENT AUDITORS' REPORT

March 8, 2024

The Honorable Leslie Swan
Supervisor of Elections
Indian River County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying fund financial statements of the major fund and remaining fund information of the **Indian River County, Florida Supervisor of Elections** (the "Supervisor of Elections"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' fund financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and remaining fund information of the Supervisor of Elections, as of September 30, 2023, and the respective changes in financial position, and the budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Reporting Entity

As discussed in Note 1, the financial statements referred to above present only the **Indian River County, Florida Supervisor of Elections** and do not purport to, and do not, present fairly the financial position of Indian River County, Florida as of September 30, 2023, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Supervisor of Elections and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Supervisor of Election's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditors' Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2023, on our consideration of the Supervisor of Election'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 Supervisor of Election'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 Supervisor of Election's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Rehmann Lohman LLC". The signature is written in a cursive, flowing style.

Indian River County, Florida
Supervisor of Elections
Balance Sheet
Governmental Funds
September 30, 2023

	<u>General Fund</u>	<u>Special Revenue</u>
ASSETS		
Cash	\$ 24,238	\$ -
Accounts receivable	337	-
Prepaid items	72,691	-
Total assets	<u>\$ 97,266</u>	<u>\$ -</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 84,573	\$ -
Due to other governments	12,693	-
Total liabilities	<u>97,266</u>	<u>-</u>
 Fund Balances:		
Nonspendable:		
Prepaid items	72,691	-
Restricted for:		
Unassigned	<u>(72,691)</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>
 Total liabilities and fund balances	<u>\$ 97,266</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Supervisor of Elections
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2023

	General	Nonmajor Fund Special Revenue	Total
REVENUES			
Intergovernmental	\$ -	\$ 90,735	\$ 90,735
Charges for services	3,952	-	3,952
Miscellaneous	69,856	-	69,856
Total revenues	<u>73,808</u>	<u>90,735</u>	<u>164,543</u>
EXPENDITURES			
Current:			
General government	1,820,030	90,735	1,910,765
Debt Service:			
Principal	3,237	-	3,237
Interest and fiscal charges	351	-	351
Total expenditures	<u>1,823,618</u>	<u>90,735</u>	<u>1,914,353</u>
Excess of revenues over (under) expenditures	<u>(1,749,810)</u>	<u>-</u>	<u>(1,749,810)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from Board of County Commissioners	1,753,962	-	1,753,962
Transfers to Board of County Commissioners	(4,152)	-	(4,152)
Total other financing sources (uses)	<u>1,749,810</u>	<u>-</u>	<u>1,749,810</u>
Net change in fund balances	-	-	-
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Supervisor of Elections
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2023

	Budgeted Amount		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ 3,952	\$ 3,952	\$ -
Miscellaneous	-	69,856	69,856	-
Total revenues	-	73,808	73,808	-
EXPENDITURES				
Current:				
General government	1,753,962	1,824,182	1,820,030	4,152
Debt Service:				
Principal	-	3,237	3,237	-
Interest and fiscal charges	-	351	351	-
Total expenditures	1,753,962	1,827,770	1,823,618	4,152
Excess of revenues over (under) expenditures	(1,753,962)	(1,753,962)	(1,749,810)	4,152
OTHER FINANCING SOURCES (USES)				
Transfers from Board of County Commissioners	1,753,962	1,753,962	1,753,962	-
Transfers to Board of County Commissioners	-	-	(4,152)	(4,152)
Total other financing sources (uses)	1,753,962	1,753,962	1,749,810	(4,152)
Net change in fund balances	\$ -	\$ -	-	\$ -
Fund balances at beginning of year			-	
Fund balances at end of year			\$ -	

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Supervisor of Elections
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Supervisor of Elections is a County agency and a local governmental entity pursuant to Article VIII, Section 1(d) of the Constitution of the State of Florida. For financial statement and reporting purposes, the Supervisor of Elections does not meet the definition of a legally separate organization and is not considered to be a component unit. The Supervisor of Elections is considered to be a part of the primary government of Indian River County. The financial statements contained herein represent the financial transactions of the Supervisor of Elections only. The format of the Supervisor of Elections' statements has been prepared in accordance with the presentation requirements of GASB 34 for fund financial statements.

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

A. Description of Funds

The accounting records are organized for reporting purposes on the basis of governmental funds.

Governmental Funds

General Fund - The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general operations of the Supervisor of Elections. All financial resources, which are not accounted for and reported in another fund, are recorded in the General Fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

Special Revenue Fund - The Special Revenue Fund accounts for State and Federal grant proceeds and matching funds from the County. These funds are legally restricted for voter education, poll worker recruitment and training, cybersecurity, safety at polling locations, and other election related activities.

B. Basis of Accounting, Measurement Focus and Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Expenditures are recorded at the time liabilities are incurred. Revenues are recorded when received in cash or when they are considered both measurable and available. Revenues collected in excess of expenditures are not considered earned and are reflected as liabilities.

Indian River County, Florida
Supervisor of Elections
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Budgetary Requirements

State statutes require the Supervisor of Elections to submit a proposed budget to the Board of County Commissioners by May 1 of each year. After review and approval of the budget by the Board, the Supervisor of Elections is authorized to transfer budgeted amounts between objects and departments as long as it does not exceed the total appropriations approved by the Board. Increases in the total budget are subject to the review and approval of the Board.

The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board of County Commissioners. The budget is prepared on a basis consistent with generally accepted accounting principles.

D. Prepaid Items

Deposits in the governmental funds represent prepayments for services that will be used in future periods. The Supervisor of Elections' policy is to record the expenditure for the services when they are used rather than when the cash is disbursed.

E. Capital Assets

Acquisitions of equipment are recorded as expenditures at the time of purchase for governmental fund financial statements. Tangible personal property used by the Supervisor of Elections in operations is reported in the financial statements of the County. Refer to the County-wide note on capital assets for the capitalization threshold, depreciation and amortization methodology and useful lives.

F. Leases

The Supervisor of Elections is a lessee for noncancellable leases of equipment. A lease liability and an intangible right-to-use lease asset are recognized in the County's government-wide financial statements. The lease liability is initially measured at the present value of the payments expected to be made during the lease term. The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs, and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include the determination of the (1) discount rate, (2) lease term, and (3) lease payments.

Indian River County, Florida
Supervisor of Elections
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F. Leases - Continued

The Supervisor of Elections monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Additional information is provided in Note 7.

G. Compensated Absences

The Supervisor of Elections accrues a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Supervisor of Elections does not, nor is legally required to, accumulate expendable, available financial resources to liquidate this obligation. Accordingly, the liability for compensated absences is not reported on the Supervisor of Elections' financial statements. Additional information on the liability is reflected in subsequent Note 6.

H. Transfer Out

In accordance with Florida Statutes, all general fund revenues in excess of expenditures as of year-end are owed to the Board of County Commissioners and other governments. This unspent budget totaled \$4,152 and was reported as a transfer to the Board of County Commissioners. These transfers are also reflected as due to other governments on the balance sheet.

I. Fund Balance

GASB Statement 54 - *Fund Balance Reporting and Governmental Funds Type Definitions* requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Categories for fund balance are as follows: nonspendable, restricted, committed, assigned, and unassigned. For more information, see the County-wide note on fund balance.

Indian River County, Florida
Supervisor of Elections
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 2 - CASH

Deposits

At September 30, 2023, the carrying amount of the Supervisor of Elections' deposits was \$24,238 and the bank balance was \$35,319. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer in accordance with Section 280.01, Florida Statutes, also known as the Florida Security for Public Deposits Act.

The Supervisor of Elections has adopted the Board of County Commissioners' investment policy. This policy requires the Supervisor of Elections' office to follow the above state law (governing custodial credit risk) for cash deposits. Refer to the County-wide note on cash and investments for the definition of custodial credit risk.

NOTE 3 - PENSION PLAN

Florida Retirement System

Plan Description: The Supervisor of Elections' employees participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer public employee retirement system, administered by the Florida Department of Management Services (DMS). Benefit provisions are established and may be amended by state statute. A financial report is available from the DMS website at www.dms.myflorida.com or by mail at Florida Division of Retirement, PO Box 9000, Tallahassee, FL 32315-9000.

Effective July 1, 2011, the FRS became a contributory plan for all members, except DROP participants, whereby members contribute 3% and employers pay a rate based upon each member's employment class. Classes and rates in effect at July 1, 2023 were: regular class 13.57%, senior management class 34.52%, DROP class 21.13%, and elected official class 58.68%. Included in these rates is a health insurance subsidy of 2.00%.

Employees elect participation in either the defined benefit plan (Pension Plan) or the defined contribution plan (Investment Plan). If the employee enrolled in the FRS prior to July 1, 2011, normal retirement is age 62 with 6 years of service or 30 years of service, regardless of age. If the employee enrolled in the FRS on or after July 1, 2011, normal retirement is age 65 with 8 years of service or 33 years of service, regardless of age.

Indian River County, Florida
Supervisor of Elections
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - PENSION PLAN - Continued

Florida Retirement System - Continued

Under the Pension Plan, early retirement is available before reaching normal retirement age and will be subject to an early-retirement reduction of 5% for each year your age at retirement is under your normal retirement age. For those employees who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs after one year of service. Participants have access to the full value of their vested account balance when they leave FRS employment, regardless of age. These participants receive a defined contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration.

Benefits Provided: Retirement benefits are determined by age, years of service, the average of the highest 5 or 8 fiscal years of pay, membership class and the payment option selected at retirement. For further information concerning the Florida Retirement System and contribution rates, please read the County-wide note on pension plans.

Contributions: Employer contributions to the FRS are based on a percentage of covered payroll that has been actuarially determined as an amount, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability.

For the year ended September 30, 2023, the Supervisor of Elections' actuarial contribution to FRS under the Pension Plan were \$123,287 and the HIS Program were \$11,133. Employee contributions were \$18,580. Both employer and employee contributions were equal to 100% of the required contribution for each year.

Pension Liabilities: At September 30, 2023, the Division of Retirement calculated the Supervisor of Elections' liability of \$1,058,448 for the FRS plan and \$263,072 for the HIS Program, for a total of \$1,321,520 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Supervisor of Elections' proportionate share of the net pension liability was based on a projection of the Supervisor of Elections' long-term share of contributions to the Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2023, the Supervisor of Elections' proportionate share was .002656% for the FRS Pension Plan and .001656% for the HIS Program.

Indian River County, Florida
Supervisor of Elections
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - PENSION PLAN - Continued

Florida Retirement System - Continued

Discount Rate for Pension Plan: The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Supervisor of Elections' contributions will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plans' 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.

Sensitivity of the Supervisor of Elections' Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the Pension Plan: The following presents the Supervisor of Elections' proportionate share of the net pension liability (NPL) of the Pension Plan calculated using the discount rate of 6.70%. Also presented is what the Supervisor of Elections' proportionate share of the FRS plan NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1 % Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
Supervisor of Elections's proportionate share of NPL	\$ 1,808,045	\$ 1,058,448	\$ 431,321

Discount rate for the HIS Program: In general, the discount rate for calculating the 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 Program is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Supervisor of Elections' Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the HIS Program: The following presents the Supervisor of Elections' proportionate share of the NPL of the HIS Program calculated using the discount rate of 3.65%. Also presented is what the Supervisor of Election's proportionate share of the HIS Program NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Indian River County, Florida
Supervisor of Elections
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - PENSION PLAN - Continued

Florida Retirement System - Continued

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Supervisor of Election's proportionate share of NPL	\$ 300,124	\$ 263,072	\$ 232,358

Refer to the County-wide note for actuarial assumptions (including the investment rate of return), pension liability on financial statements, and an explanation of pension expense components. The pension liability is not reported in the financial statements of the Supervisor of Elections since they are not payable from available spendable resources. It is reported in the financial statements of the County by the fund which normally pays the personnel service costs of the employee.

NOTE 4 - OTHER POSTEMPLOYMENT BENEFITS

The Supervisor of Elections participated in the Indian River County Other Postemployment Benefit Trust (OPEB Trust). The Supervisor of Election's 2023 annual contribution of \$4,312 was funded by the Board of County Commissioners as part of a total contribution determined by the OPEB Trust actuary. Further information on the OPEB Trust can be found in the County-wide financial statements and County notes.

NOTE 5 - RISK MANAGEMENT

Indian River County maintains a risk management program that provides for coverage of risks of loss related to torts, theft of, damage to and destruction of assets, errors or omissions, injuries to employees, natural disasters, and medical and life insurance coverage for employees and their eligible dependents. Various excess catastrophe insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the Self Insurance Fund. The Supervisor of Elections participated in the County's self-insurance program during fiscal year 2023 at an annual cost of \$93,432.

Indian River County, Florida
Supervisor of Elections
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 6 - LONG-TERM LIABILITIES

Changes in Long-Term Liabilities

The following is a schedule of changes in long-term liabilities as of September 30, 2023:

	Beginning Balance 10/1/2022	Additions	Deletions	Ending Balance 9/30/2023
Accrued Compensated Absences	<u>\$ 42,519</u>	<u>\$ 30,150</u>	<u>\$ 44,315</u>	<u>\$ 28,354</u>

Of the \$28,354 liability for accrued compensated absences, management estimates that \$13,099 will be due and payable within one year. The liability for accrued compensated absences is not reported in the financial statements of the Supervisor of Elections since it is not payable from available spendable resources. The liability is reported in the financial statements of the County.

NOTE 7 - LEASES

The Supervisor of Elections is involved in an agreement as lessee that meets the requirements of a long-term lease agreement. This agreement qualifies as an intangible, right-to-use asset and not a financed purchase, as the Supervisor of Elections will not own the asset at the end of the contract term and the noncancellable term of the agreement surpasses one year.

<u>Asset Type</u>	<u>Remaining Term of Agreement</u>
Mail machine	4 months

The asset acquired through the lease is summarized as follows:

Equipment	\$ 6,424
Less accumulated amortization	(5,140)
Net book value	<u><u>\$ 1,284</u></u>

Indian River County, Florida
Supervisor of Elections
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 7 - LEASES - Continued

The net present value of future minimum payments as of September 30, 2023, were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,167	\$ 29
Total	<u>\$ 1,167</u>	<u>\$ 29</u>

Leases payable activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Leases payable	\$ 4,414	\$ -	\$ (3,247)	\$ 1,167	\$ 1,167

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

March 8, 2024

The Honorable Leslie Swan
Supervisor of Elections
Indian River 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 statements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the fund financial statements of the major fund and remaining fund information of the **Indian River County, Florida Supervisor of Elections** (the "Supervisor of Elections"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' fund financial statements and have issued our report thereon dated March 8, 2024.

Report on Internal Control over Financial Reporting

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

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

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor of Elections' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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MANAGEMENT LETTER

March 8, 2024

The Honorable Leslie Swan
Supervisor of Elections
Indian River County, Florida

Report on the Financial Statements

We have audited the fund financial statements of the major fund and the remaining fund information of the **Indian River County, Florida Supervisor of Elections** (the "Supervisor of Elections"), as of and for the year ended September 30, 2023, which collectively comprise the Supervisor of Elections' fund financial statements and have issued our report thereon dated March 8, 2024.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the 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 March 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations 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. This information is disclosed in the notes to the financial statements.



Financial Management

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

Additional Matters

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

Purpose of this Letter

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

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TAX COLLECTOR

INDEPENDENT AUDITORS' REPORT

March 8, 2024

The Honorable Carole Jean Jordan
Tax Collector
Indian River County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying fund financial statements of the major fund and the remaining fund information of the **Indian River County, Florida Tax Collector** (the "Tax Collector"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Tax Collector's fund financial statements as listed in the table of contents.

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

Reporting Entity

As discussed in Note 1, the financial statements referred to above present only the **Indian River County, Florida Tax Collector** and do not purport to, and do not, present fairly the financial position of Indian River County, Florida as of September 30, 2023, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Tax Collector and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tax Collector's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditors' Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2024, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Rehmann Lohman LLC". The signature is written in a cursive, flowing style.

Indian River County, Florida
Tax Collector
Balance Sheet
General Fund
September 30, 2023

ASSETS

Cash and investments	\$ 4,682,577
Accounts receivable	519,740
Inventories	20,629
Prepaid items	26,476
Total assets	<u>\$ 5,249,422</u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable	\$ 596,526
Due to other governments	4,547,855
Unearned revenues	98,582
Other deposits	6,459
Total liabilities	<u>5,249,422</u>

Fund Balances:

Nonspendable:	
Inventories	20,629
Prepaid items	26,476
Unassigned	<u>(47,105)</u>
Total fund balances	<u>-</u>

Total liabilities and fund balances	<u>\$ 5,249,422</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Tax Collector
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2023

	Budgeted Amount		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 8,511,688	\$ 8,511,688	\$ 8,382,744	\$ (128,944)
Interest	10,000	10,000	208,295	198,295
Total revenues	<u>8,521,688</u>	<u>8,521,688</u>	<u>8,591,039</u>	<u>69,351</u>
EXPENDITURES				
Current:				
General government	6,454,473	6,454,473	5,885,703	568,770
Debt Service:				
Principal	-	-	423,390	(423,390)
Interest and fiscal charges	-	-	3,382	(3,382)
Total expenditures	<u>6,454,473</u>	<u>6,454,473</u>	<u>6,312,475</u>	<u>141,998</u>
Excess of revenues over (under) expenditures	<u>2,067,215</u>	<u>2,067,215</u>	<u>2,278,564</u>	<u>211,349</u>
OTHER FINANCING USES				
Transfers to Board of County Commissioners	(2,067,215)	(2,067,215)	(2,359,144)	(291,929)
SBITA financings	-	-	80,580	80,580
Total other financing uses	<u>(2,067,215)</u>	<u>(2,067,215)</u>	<u>(2,278,564)</u>	<u>(211,349)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances at beginning of year			-	
Fund balances at end of year			<u>\$ -</u>	

The accompanying notes are an integral part of the financial statements.

**Indian River County, Florida
Tax Collector
Statement of Fiduciary Net Position
Custodial Fund
September 30, 2023**

ASSETS

Cash and investments	\$ 3,438,409
Total assets	<u>\$ 3,438,409</u>

LIABILITIES

Due to other governments	\$ 3,438,409
Total liabilities	<u>\$ 3,438,409</u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Tax Collector
Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Year Ended September 30, 2023

	<u>Custodial Fund</u>
ADDITIONS	
Property tax collections for other governments	\$ 203,040,201
License and tax collections due to state agencies	<u>32,755,054</u>
Total additions	<u>235,795,255</u>
 DEDUCTIONS	
Payments of property taxes to other governments	203,040,201
Payments of license and tax collections to state agencies	<u>32,755,054</u>
Total deductions	<u>235,795,255</u>
 Change in net position	 -
Net position, beginning of year	 <u>-</u>
Net position, end of year	 <u><u>\$ -</u></u>

The accompanying notes are an integral part of the financial statements.

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Tax Collector is a County agency and a local governmental entity pursuant to Article VIII, Section 1(d) of the Constitution of the State of Florida. For financial statement and reporting purposes, the Tax Collector does not meet the definition of a legally separate organization and is not considered to be a component unit. The Tax Collector is considered to be a part of the primary government of Indian River County. The financial statements contained herein represent the financial transactions of the Tax Collector only. The format of the Tax Collector's statements has been prepared in accordance with the presentation requirements of GASB 34 for fund financial statements.

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

A. Description of Funds

The accounting records are organized for reporting purposes on the basis of governmental funds and a fiduciary fund.

Governmental Fund

General Fund - The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general operations of the Tax Collector. All financial resources, which are not accounted for and reported in another fund, are recorded in the General Fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

Fiduciary Fund

Fiduciary Fund - The Fiduciary Fund of the Tax Collector is the Custodial Fund, which is used to account for assets held by the Tax Collector as an fiduciary. The Custodial Fund does not involve measurement of results of operations. These funds cannot be used to support the Tax Collector's own programs.

B. Basis of Accounting, Measurement Focus and Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Expenditures are recorded at the time liabilities are incurred. Revenues are recorded when received or when they are considered both measurable and available. Revenues collected in excess of expenditures are

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Accounting, Measurement Focus and Presentation - Continued

not considered earned and are reflected as liabilities. The fiduciary fund is reported using the economic resources measurement focus and the accrual basis of accounting.

C. Budgetary Requirements

State statutes require the Tax Collector to prepare an annual budget that clearly reflects the revenues available to the office and the functions for which money is to be expended. The budgeted revenues and expenditures are subject to the review and approval of the Department of Revenue.

Management is authorized to transfer budgeted amounts between objects and departments as long as management does not exceed the total appropriations of a fund. Department of Revenue approval is only required when unanticipated revenues are received that management wishes to have appropriated, thereby increasing the total appropriations of a fund. The budget is prepared on a basis consistent with generally accepted accounting principles.

D. Cash and Investments

Cash and investments includes cash on hand, bank deposits, certificates of deposit, money market accounts, and short term investments with original maturities of ninety days or less from the date of acquisition.

E. Prepaid Items

This account represents prepayments for services that will be used in future periods. The Tax Collector's policy is to record the expenditure for the services when they are used rather than when the cash is disbursed.

F. Capital Assets

Acquisitions of equipment are recorded as expenditures at the time of purchase for governmental fund financial statements. Tangible personal property used by the Tax Collector in operations is reported in the financial statements of the County. Refer to the County-wide note on capital assets for capitalization threshold, depreciation methodology and useful lives.

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

G. Leases

The Tax Collector is a lessee for noncancellable leases of buildings and equipment. A lease liability and an intangible right-to-use asset are recognized in the County's government-wide financial statements. The lease liability is initially measured at the present value of the payments expected to be made during the lease term. The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs, and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include the determination of the (1) discount rate, (2) lease term, and (3) lease payments. The Tax Collector monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Additional information is provided in Note 8.

H. Subscription-Based Information Technology Arrangements (SBITA)

The Tax Collector has noncancellable subscription-based information technology arrangements. A subscription liability and an intangible right-to-use asset are recognized in the County's government-wide financial statements. At the commencement of a subscription, the Tax Collector initially measures the subscription liability at the present value of payments expected to be made during the lease term and the liability is reduced by the principal portion of subsequent subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs and is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscription include how the Tax Collector determines the (1) discount rate, (2) subscription term and (3) subscription payments. The Tax Collector monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Additional information is provided in Note 9.

I. Unearned Revenues

Unearned revenues represent revenues which are available but not earned. The amount reported on the Tax Collector's balance sheet of \$98,582 represents prepaid vehicle registrations.

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

J. Compensated Absences

The Tax Collector accrues a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Tax Collector does not, nor is legally required to, accumulate expendable available financial resources to liquidate this obligation. Accordingly, the liability for compensated absences is not reported on the Tax Collector's financial statements. Additional information on the liability is reflected in subsequent Note 7.

K. Transfer Out

In accordance with Florida Statutes, all revenues in excess of expenditures as of year-end are owed to the Board of County Commissioners and other governments. These "excess fees" totaled \$2,554,422 at September 30, 2023, and are included as due to other governments on the balance sheet. Of this amount, \$2,359,144 was owed to the Board of County Commissioners and is reported as Transfers to Board of County Commissioners on the Statement of Revenues, Expenditures and Changes in Fund Balances.

L. Fund Balance

GASB Statement 54 - *Fund Balance Reporting and Governmental Funds Type Definitions* requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Categories for fund balance are as follows: nonspendable, restricted, committed, assigned, and unassigned. For more information, see the County-wide note on fund balance.

M. New Accounting Pronouncement

The Tax Collector implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. The objective of this Statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for SBITA by governments.

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 2 - CASH AND INVESTMENTS

A. Deposits

All bank deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer in accordance with Section 280.01, Florida Statutes, also known as the Florida Security for Public Deposits Act. At September 30, 2023, the carrying amount of the Tax Collector's deposits was \$6,458,979 and the bank balance was \$6,487,228.

B. Investments

At September 30, 2023, the Tax Collector had investments with a balance of \$1,662,007. The Florida Prime had a balance of \$286,281 and weighted average maturity of 36 days. The Florida Cooperative Liquid Assets Securities System (FLCLASS) had a balance of \$1,375,726 and a weighted average maturity of 71 days.

Fair Value Measurement

The Tax Collector's investments in FLCLASS, an external local government investment pool organized under the laws of the State of Florida, are presented at Net Asset Value (NAV), which reflects fair value. The objectives of FLCLASS are to generate investment income while maintaining safety and liquidity. There were no unfunded commitments as of September 30, 2023. Investments may be redeemed weekly/daily based on similar investments of other clients. The Florida PRIME is valued at amortized cost. There are no restrictions or limitations on withdrawals, however, Florida PRIME may, on occurrence of an event that has a material impact on liquidity or operations, impose restrictions on withdrawals for up to 48 hours.

C. Deposit and Investment Policy

The Tax Collector last modified their investment and deposit policy in December 2020. This policy requires the Tax Collector's office to follow the above state law (governing custodial credit risk) for deposits and Section 218.415, Florida Statutes. Refer to the County-wide note on cash and investments for the definition of custodial credit risk.

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 2 - CASH AND INVESTMENTS - Continued

C. Deposit and Investment Policy - Continued

Concentration Risk

The Tax Collector's cash and investment policy limits portfolio composition to the following maximum guidelines:

Local Government Surplus Funds Trust Fund (Florida Prime)	75%
Florida Trust Day to Day Fund (Florida Trust)	75%
Florida Cooperative Liquid Assets Securities System (FLCLASS)	75%
Direct Obligations of the U.S. Government	25%
Money Market, CD's, and Savings Accounts	95%
Securities & Exchange Commission Money Funds	25%
Bank Super NOW Accounts	95%
Bank Repo Agreements	25%
United States Government Agencies	25%

Interest Rate Risk

The Tax Collector will attempt to match investment maturities with known cash needs and anticipated cash flow requirements. Investments of current operating funds shall have maturities of no longer than twelve months and funds in excess of current operating needs may have maturities of no longer than twenty-four months.

Credit Risk

Florida Statutes authorize investments in certificates of deposit, savings accounts, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, and direct obligations of the U.S. Treasury. At September 30, 2023 the Florida PRIME and FLCLASS held a rating of AAAM.

Custodial Credit Risk

All investments are held in the name of the Tax Collector, by the Tax Collector, with the exception of the FLCLASS, which was held by Fifth Third Bank; and the Florida PRIME, which was held by BNY Mellon.

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 3 - INVENTORIES

Inventories are valued at cost, which approximates market, using the “first-in, first-out” method of accounting. The costs of general fund inventory are recorded as an expenditure when consumed rather than when purchased. Inventory of the Tax Collector, included in the general fund, represents postage and Sunpass transponders.

NOTE 4 - PENSION PLAN

Florida Retirement System

Plan Description: The Tax Collector’s employees participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer public employee retirement system, administered by the Florida Department of Management Services (DMS). Benefit provisions are established and may be amended by state statute. A financial report is available from the DMS website at www.dms.myflorida.com or by mail at Florida Division of Retirement, PO Box 9000, Tallahassee, FL 32315-9000.

Effective July 1, 2011, the FRS became a contributory plan for all members, except DROP participants, whereby members contribute 3% and employers pay a rate based upon each member’s employment class. Classes and rates in effect at July 1, 2023 were: regular class 13.57%, senior management class 34.52%, DROP class 21.13%, and elected official class 58.68%. Included in these rates is a health insurance subsidy of 2.00%.

Employees elect participation in either the defined benefit plan (Pension Plan) or the defined contribution plan (Investment Plan). If the employee enrolled in the FRS prior to July 1, 2011, normal retirement is age 62 with 6 years of service or 30 years of service, regardless of age. If the employee enrolled in the FRS on or after July 1, 2011, normal retirement is age 65 with 8 years of service or 33 years of service, regardless of age.

Under the Pension Plan, early retirement is available before reaching normal retirement age and will be subject to an early-retirement reduction of 5% for each year your age at retirement is under your normal retirement age. For those employees who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs after one year of service. Participants have access to the full value of their vested account balance when they leave FRS employment, regardless of age. These participants receive a defined contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration.

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 4 - PENSION PLAN - Continued

Florida Retirement System - Continued

Benefits Provided: Retirement benefits are determined by age, years of service, the average of the highest 5 or 8 fiscal years of pay, membership class and the payment option selected at retirement. For further information concerning the FRS and contribution rates, please read the County-wide note on pension plans.

Contributions: Employer contributions to the FRS are based on a percentage of covered payroll that has been actuarially determined as an amount, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability.

For the year ended September 30, 2023, the Tax Collector's actuarial contributions to FRS under the Pension Plan were \$417,353 and the Health Insurance Subsidy (HIS Program) were \$53,728. Employee contributions were \$87,782. Both employer and employee contributions were equal to 100% of the required contribution for each year.

Pension Liabilities: At September 30, 2023, the Division of Retirement calculated the Tax Collector's liability of \$3,469,021 for the FRS plan and \$1,234,733 for the HIS Program, for a total of \$4,703,754 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023.

The Tax Collector's proportionate share of the net pension liability was based on a projection of the Tax Collector's long-term share of contributions to the Pension Plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2023, the Tax Collector's proportionate share was .008706% for the FRS Pension Plan and .007775% for the HIS Program.

Discount Rate for Pension Plan: The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Tax Collector's contributions will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plans' 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.

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 4 - PENSION PLAN - Continued

Florida Retirement System - Continued

Sensitivity of the Tax Collector's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the Pension Plan: The following presents the Tax Collector's proportionate share of the net pension liability (NPL) of the Pension Plan calculated using the discount rate of 6.70%. Also presented is what the Tax Collector's proportionate share of the FRS plan NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
Tax Collector's proportionate share of NPL	\$ 5,925,795	\$ 3,469,021	\$ 1,413,636

Discount rate for the HIS Program: In general, the discount rate for calculating the 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 Program is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Tax Collector's Proportionate Share of the Net Position Liability to Changes in the Discount Rate for the HIS Program: The following presents the Tax Collector's proportionate share of the NPL of the HIS Program calculated using the discount rate of 3.65%. Also presented is what the Tax Collector's proportionate share of the HIS Program NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 4 - PENSION PLAN - Continued

Florida Retirement System - Continued

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Tax Collector's proportionate share of NPL	\$ 1,408,638	\$ 1,234,733	\$ 1,090,578

Refer to the County-wide note for actuarial assumptions (including the investment rate of return), pension liability on financial statements, and an explanation of pension expense components. The pension liability is not reported in the financial statements of the Tax Collector since they are not payable from available spendable resources. It is reported in the financial statements of the County by the fund which normally pays the personnel service costs of the employee.

NOTE 5 - OTHER POSTEMPLOYMENT BENEFITS

The Tax Collector participated in the Indian River County Other Postemployment Benefits Trust (OPEB Trust). The Tax Collector paid their 2023 annual contribution of \$26,656 which was their part of the total contribution determined by the OPEB Trust actuary. Further information on the OPEB Trust can be found in the County-wide financial statements and County notes.

NOTE 6 - RISK MANAGEMENT

Indian River County maintains a risk management program that provides for coverage of risks of loss related to torts, theft of, damage to and destruction of assets, errors or omissions, injuries to employees, natural disasters, and medical and life insurance coverage for employees and their eligible dependents. Various excess catastrophe insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the Self Insurance Fund. The Tax Collector participated in the County's self-insurance program during fiscal year 2023 at an annual cost of \$746,244. Further details of this self-insurance program are discussed in the risk management note in the County-wide financial statements.

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 7 - LONG-TERM LIABILITIES

Changes in Long-Term Liabilities

The following is a schedule of changes in long-term liabilities as of September 30, 2023:

	Beginning Balance 10/1/2022	Additions	Deletions	Ending Balance 9/30/2023
Accrued Compensated Absences	<u>\$ 132,039</u>	<u>\$ 39,612</u>	<u>\$ 26,154</u>	<u>\$ 145,497</u>

Of the \$145,497 liability for accrued compensated absences, management estimates that \$27,628 will be due and payable within one year. The long-term liabilities are not reported in the financial statements of the Tax Collector since they are not payable from available spendable resources. They are reported in the financial statements of the County.

NOTE 8 - LEASES

The Tax Collector is involved in two agreements as a lessee that meet the requirements of long-term lease agreements. These agreements qualify as intangible, right-to-use assets and not a financed purchase, as the Tax Collector will not own the assets at the end of the contract term and the noncancelable term of the agreement surpasses one year.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Mail Machine	3 months
Office Space	30 months

The assets acquired through the lease are summarized as follows:

Buildings	\$ 211,516
Equipment	6,802
Less: accumulated amortization	<u>(100,053)</u>
Net book value	<u><u>\$ 118,265</u></u>

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 8 - LEASES - Continued

The net present value of future minimum payments as of September 30, 2023, were as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 47,965	\$ 1,992
2025	48,100	1,010
2026	24,412	142
Total	<u>\$ 120,477</u>	<u>\$ 3,144</u>

Leases payable activity for the year ended September 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Leases payable	<u>\$ 187,978</u>	<u>\$ -</u>	<u>\$ (67,501)</u>	<u>\$ 120,477</u>	<u>\$ 47,965</u>

NOTE 9 - SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The Tax Collector is involved in several agreements that meet the requirements of long-term SBITA. These agreements qualify as intangible right-to-use assets as the Tax Collector has the control of the right to use another party's IT software and the noncancellable term of the agreements surpasses one year. The present values are discounted using a predetermined rate as of the commencement date.

<u>Asset Type</u>	<u>Remaining Term of Agreements</u>
Software	12 - 45 months

The assets acquired through subscription-based information technology agreements in governmental activities are summarized as follows:

Subscription assets	\$ 676,692
Less: accumulated amortization	<u>(304,047)</u>
Net book value	<u>\$ 372,645</u>

Indian River County, Florida
Tax Collector
Notes To Financial Statements
Year Ended September 30, 2023

NOTE 9 -SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) - Continued

The net present value of future minimum payments as of September 30, 2023, were as follows:

Year Ended	Principal	Interest
2024	\$ 296,796	\$ 12,393
2025	23,553	1,598
Total	<u>\$ 320,349</u>	<u>\$ 13,991</u>

Subscription liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance*	Additions	Deductions	Ending Balance	Due Within One Year
SBITA liability	<u>\$ 596,112</u>	<u>\$ 80,580</u>	<u>\$ (356,343)</u>	<u>\$ 320,349</u>	<u>\$ 296,796</u>

*The Tax Collector implemented the provisions of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (*SBITA*), in the current year. In accordance with this Statement, subscription liability has been added to the beginning balances shown above and a corresponding lease asset has been recorded for the same amount.

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

March 8, 2024

The Honorable Carole Jean Jordan
Tax Collector
Indian River 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 statements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the fund financial statements of the major fund and the remaining fund information of the **Indian River County, Florida Tax Collector** (the "Tax Collector"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Tax Collector's fund financial statements and have issued our report thereon dated March 8, 2024.

Report on Internal Control over Financial Reporting

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

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

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tax Collector's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Rehmann Lohman LLC

MANAGEMENT LETTER

March 8, 2024

The Honorable Carole Jean Jordan
Tax Collector
Indian River County, Florida

Report on the Financial Statements

We have audited the fund financial statements of the major fund and the aggregate remaining fund information of the **Indian River County, Florida Tax Collector** (the "Tax Collector"), as of and for the year ended September 30, 2023, which collectively comprise the Tax Collector's fund financial statements and have issued our report thereon dated March 8, 2024.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the 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 March 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations 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. This information is disclosed in the notes to the financial statements.



Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Rehmann Lohman LLC

INDEPENDENT ACCOUNTANTS' REPORT

March 8, 2024

The Honorable Carole Jean Jordan
Tax Collector
Indian River County, Florida

We have examined the compliance of **Indian River County, Florida Tax Collector** ("the Tax Collector") with Sections 218.415 Florida Statutes, during the year ended September 30, 2023.

Management's Responsibility

Management is responsible for compliance with those requirements.

Independent Accountants' Responsibility

Our responsibility is to express an opinion on the Tax Collector's compliance with those 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 is in compliance with specified requirements established by Florida Statute and performing such procedures as we considered necessary in the circumstances.

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.

Opinion

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

Purpose of this Report

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

Rehmann Lobson LLC

